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PACKERS UNEASY AT CURTAILMENT OF BACON TRADE

Any Restrictions Placed Will Limit the Industry.

GOVERNMENT APPROACHED

So Far No Marked Lessening in Prices Has Resulted—Scarcity of Hogs Serves to Keep the Market Price Firm.

The situation with reference to the sale of Canadian bacon, pork, lard and butter in England is still very uncertain and, from many standpoints, very unsatisfactory. From the present outlook a loss to Canadian industry is bound to develop.

It is not yet absolutely clear how the purchase of these lines is to be handled. The appointment of a central purchasing agency to be located in the United States would, it is believed, refer only to army supplies. That Canadian goods can be sold direct to business concerns in the Mother Country seems likely, as it has been definitely and officially denied that the British Food Controller has placed an embargo. The packers are not yet clear how matters stand, nor do they feel certain as to what they can or cannot do. Last week Sir Joseph Flavelle and C. E. Fox, of the Wm. Davies Co., went to Washington to find how matters stood there. There has been a feeling that the new regulations could be traced to the large American packing interests, which had been feeling the effect of Canadian competition, not only in export business but in their own market for raw materials. On their return they refused to give out any information.

This week the packers are at Ottawa interviewing the members of the Government.

THE FINANCIAL POST gave exclusive information last week with reference to the receiving of definite instructions by cable from Winston Churchill to cut off all shell orders in Canada, an order which was subsequently modified to give a three months' extension. It has been learned that an intimation reached Ottawa at the same time of impending action with reference to bacon and kindred lines. It seems clear, therefore, that the British Government intends to make some arrangement calculated to curtail the sale of such lines in Great Britain. It may be remarked in passing that Churchill's action with reference to the shell contracts is an eloquent attestation to the wisdom of the criticisms which THE FINANCIAL POST has voiced with reference to him. Apparently one of his first official acts on returning to office was to rush off a cable to Canada shutting off our munitions industry. That his action was taken without due consideration seems apparent from the fact that he later reversed it.

Packers Are Uneasy.

There can be no doubt that the packers feel uneasy. It seems quite certain that a curtailment in business is anticipated and, coming suddenly as it does, this may create a certain amount of hardship. As Canadian firms have, during the progress of the war been building up an extensive business in these lines, going into the American market and buying stock in direct competition with the American packers, and doing this with a good deal of success, curtailment will mean a rather serious situation. The present is a light season for this business, but despite that fact, the packers have had to protect themselves in the matter of supplies. The readjustment that would be necessary, were the cessation of buying to become a permanency, would entail a good deal of loss. Efforts are being made to protect this business, which is a very tangible asset for Canada. It is to be remembered that in the sales to the war office, Canadian packers have been selling on an open market price. They got no favors and have built up a substantial business in competition with still more powerful interests in the Republic to the south. All this stands to the credit of Canadian trade and the loss of this business would be a serious item.

It is expected that such representations will be made by the Dominion

Continued on page 8.

UNITED STATES STEEL CO. PLANT NOW TO BE CARRIED FORWARD

Plans for the erection of the United States Steel Corporation's $20,000,000 plant at Ojibway, Ont., will now be carried forward, according to a statement of Ward B. Perley, vice-president and general manager of the Canadian Steel Corporation, the Canadian subsidiary of the big United States concern. This company was incorporated some three years ago. A tract of land on the St. Clair River, north of Windsor, was purchased, a separate municipality was established, streets were laid out for an ideal town, such as the United States Steel Corporation has at its American plants. Then the war put a temporary stop to construction. The bid for tenders for the construction of a slip and huge concrete and steel docks for the Ojibway Company was the sign for a renewal of construction, and further plans of the company will now be proceeded with. The plant is well situated, being on the direct water route from the Lake Superior iron mines to the ocean. Hydro-Electric power will be available from Niagara. The operations of the plant, as outlined by Judge E. H. Gary, chairman of the Board of Directors of the United States Steel Corporation, will include some blast furnaces and mills for the manufacture of wire, rails and bars and perhaps other steel products.

NEW LOAN TO HELP OUR EXPORT TRADE

Investors Asked to Aid in Maintaining Prosperity.

Conditions Demand Unusual Efforts to Facilitate Business.

The announcement from Ottawa of another Dominion war loan for this autumn, coupled with the statement of the Minister of Finance that the funds will prove an important factor in relation to financing orders for war and other supplies for Britain and the Allies, provides a measure of relief in a situation which had a rather serious complexion. However, Mr. White will have to pay a rate for his capital which prevents the problem of financing our exports from being placed altogether in the background. And not only is there the question of finance, but there is the increasingly serious question of transportation.

It is becoming evident that, with the German submarines steadily reducing the British tonnage, steps must be taken to organize the export trade from America on the most efficient basis. There must be elimination of unnecessary shipments, there must be an effort to select those foods and other commodities which represent a minimum of bulk in relation to their economic value and there must be a shipping machine which will handle the goods to the best advantage in the least possible time. These are no doubt the factors which have led to the concentration of the buying arrangements for the Allies. And it is also likely in following up such an arrangement that it is desirable that so far as possible all shipments be made from the same point. It may be, therefore, that Canadian products will find an outlet from New York, or some other port where freight from all parts of the continent can be expeditiously handled. However, such an arrangement should have no important effect. With food stuffs so urgently needed they are sure to find a market, other things being equal.

The Minister of Finance is undoubtedly following a wise course in putting it up to the Canadian people to subscribe to the next war loan so that Canada may supply Britain with the commodities she needs, and so that we can at the same time find a market for our products. If the United States is willing to finance British orders and Canada is not, then, under the conditions prevailing, the American market will be favored.

The people will be asked to subscribe to benefit Canadian industry and themselves by maintaining business prosperity. The people of this country have not been doing all they should in this connection. The war loans have been absorbed by the wealthier people and by large institutions rather than by the general public. Then people have not been contributing to the extent that they have in Great Britain or even in the United States. To reach the people an intelligent and broad advertising campaign will be necessary in order that it may be shown to the individual that he has a war duty to the Empire and an economic duty to Canada to perform.

The Business Situation.

The Canadian business situation shows no important change. Adjustments from munitions to other activities are being made with little apparent difficulty and labor is being fairly well absorbed. Materials and wages are on a high level and profits have narrowed, but there should continue to be a good demand in most lines while high prices for agricultural products continue as the foundation of national prosperity.

In the United States there is considerable uncertainty as to price-fixing and profit-taxing and this has reflected on the investment situation as indicated by the slump in the stock market. Canada has not been much affected. Canadian stocks have been weaker and have lost any gains they made during August, but there has been nothing like a panic. The scarcity of money and its high value provide a reason for contraction in the investment situation and it is freely predicted that there will be a quiet period for some time to come, particularly with another Dominion loan in sight.

The Balance of Trade.

The balance of trade as shown by the preliminary statement for July shows there is an unfavorable development in our imports. For example, for the first four months our exports of merchandise were $519,259,394, and our imports were $382,100,850, leaving a balance of $137,358,444, while for the corresponding period of 1916 our exports were $472,972,377, and imports,, $249,868,067, or a favorable balance of $223,104,310. Thus we have lost a portion of our favorable balance since a year ago, and this on an increased volume of exports.

NEW POTASH INDUSTRY ON PACIFIC COAST

International Chemical Company to Commence Manufacturing End of Present Month.

Special Correspondence.

VANCOUVER. — Some twelve months ago mention was made in these columns as to the establishment of a proposed potash industry, the product being made from the manufacture of kelp which is found in somewhat large quantities along the Pacific coast. An announcement has just been made whereby the International Chemical Co., a subsidiary of the National Chemical Co., and financed by Chicago and Cleveland capital, will come into the province and will, it is said, commence the manufacturing end of their business during the latter part of September. The officials of the company are already installing their equipment in the old Pacific plant, formerly owned by the Standard Fisheries, on the coast of the Queen Charlotte Islands.

At the outbreak of war, potash which at that time was selling for $35 per ton on the Atlantic coast and $48 per ton on the Pacific, jumped to $400 per ton. This figure has gradually been reduced until to-day it averages from $150 to $180 per ton. The company claims that at pre-war prices it can operate at a profit owing to the fact that it has acquired exclusive rights to many rich kelp beds on the Pacific Coast.

The company which now operates large plants at Los Angeles and San Diego is installing most modern equipment which will enable it to handle one thousand tons of wet kelp per day. In addition to the manufacture of potash the company will extract the oils from non-edible fish caught by the boats of the institution, will make fertilizer of the remainder and will make regular shipments to Prince Rupert of the marketable fish. For this purpose a cold storage plant is also being installed.

LOAN COMPANIES FEAR FLAVOR OF SOCIALISM

Interference With Fair Contracts Through Government Loans.

NO FOREIGN CAPITAL

Europe Cut Off and New York Less Accessible, But New Sources Possible—Mortgage Situation in West and Outlook.

By M. CHEVALIER,
General Manager, Credit Foncier Franco-Canadien.

The rates of interest we are charging for loans have not gone up materially since the war started. Generally speaking, they run from 7 per cent. to 8 per cent. Where three years ago they averaged 6 to 6½, they were raised to 7 per cent. In certain districts they were 8 per cent. for the most part, and remain at that figure to-day. There is a special clause in our charter that prevents us exceeding 8 per cent. in our interest charges.

Paying Off Loans in West

The gradual improvement that has been taking place in farming conditions in the West through the high prices that have ruled for wheat and other grains naturally has been influencing the demand for loans. The profits that the farmers have been realizing the last two seasons have enabled many of them to pay off their loans.

Another reason that applications for loans from the West are less today is that loaning in towns on real estate security is practically stopped. This, of course, is no new condition, but there is no indication of a change in the conditions that have ruled since the collapse of the last boom. Real estate in some Western towns to-day is counted as of uncertain value so far as a loan is concerned.

At the same time, the values of farm lands have not depreciated in comparison with urban property. They remain at practically the same level as before.

Borrow From Government to Pay.

So far we have not felt adversely the competition of the loans that the Provincial Governments are offering to the farmers. These are reported to be at the rate of 6 per cent., as compared with 7 and 8 per cent. that we charge, and a natural development would be, if the 6 per cent. offer is continued, that the farmers would borrow from the Government and pay off the loan companies. Quite possibly this is not the object in view, but how are the Governments to draw the line between the different classes of borrowers? At the same time, as the late Dominion loan in New York showed, the Governments cannot borrow for less than 6½ per cent., and it will cost them at least 1 per cent. for the costs of operation, so that they are loaning at 1½ per cent. below what the money costs them. The people at large, and not the borrower, are paying this 1½ per cent.

Objectionable Legislation.

Far more objectionable is the legislation which has been passed by the Parliament and by the Provincial Legislatures, and which interferes without the knowledge of the lenders, with the margin of the security. No lender in the Western provinces escapes the eventuality of discovering at one time or another that a prior lien or many prior liens have been registered against his security for seed grain or some other purpose, and that these liens absorb the greatest part of the value of that security.

Indiscriminate application of the moratorium will no doubt result in heavy losses to the lenders after the war is over without any benefit to those whom this law intended to protect.

Will Frighten Away Capital.

Interference of this kind by the Governments in the legitimate and fair contracts passed between individuals and financial institutions has a socialistic flavor which is bound to frighten capital and deter it from investments in the provinces where this interference is encouraged.

Apart from these serious objections, which may be remedied by wise legislators, the future outlook of mortgage loans in a country intrinsically rich like Canada should be satisfactory.

Urban Replaces Rural Business.

It may be that the prosperity of the agriculturist will reduce the number of farm loans. But as the prosperity of a farming district contributes to the development of commercial and industrial centres, new business in these centres will compensate for the loss in old farming districts.

This has been the experience in the Eastern provinces, and the history will repeat itself in the West.

No Capital From Europe.

So far as foreign capital is concerned, the conditions are such in Europe that for some years no capital is likely to come from that quarter.

Some new markets may be more accessible, and until the entrance of the United States into line with the Allies New York was considered the most likely one for the placing of Canadian debentures.

A Settling Period.

This disposition may be modified to a certain extent, and after the war there will likely be a settling period during which new financial issues will be difficult.

But this does not mean a complete standstill. Large loan companies like ours with considerable assets have always in the ordinary run of business an ample supply of funds to satisfy a large demand.

UNEASINESS ABOUT DOMINION TRUST CO.

Investigation of Liquidation May Be Asked—Resignation of A. E. Plummer.

Special Correspondence.

VANCOUVER.—The latest development in the history of the liquidation of the Dominion Trust company transpired this week when, without notice, A. E. Plummer, manager in Vancouver for the Prudential Trust company, of Montreal, resigned his position as one of the inspectors of the liquidation. The Prudential Trust company, it is understood, represented large English creditors of the Dominion Trust company and it was on the representation of the creditors that Mr. Plummer was appointed as one of the three inspectors. It is now stated that dissatisfaction with the slow progress of the liquidation is given as the cause for the withdrawal. When the application came before the court this week the statement was made that another inspector would resign. No statement has been made public by the liquidator for some time as to the progress of the work under his care. In the meantime lawyer's fees are still being added too, while creditors, preferred and otherwise and shareholders alike are beginning to feel that chances of any kind of a dividend are very small. If local sentiment develops any further than the present stage, it is possible that a demand will be made for an investigation into the liquidation.

FOURTH WAR LOAN TO BE MADE POPULAR

Effort Will Be Made to Have the New Dominion Issue More Generally Subscribed.

Special Correspondence.

OTTAWA.—It was officially announced by Sir Thomas White this week that the fourth Canadian war loan will be issued in November. The exact date has not yet been fixed, but it is likely that it will be afloat the latter part of the month, about the date of the first domestic loan which was issued in the fall of 1915. The Minister also has not yet decided on the amount and the rate, but Ottawa is inclined to believe that it will be for $100,000,000, and at a rate which will net subscribers 5½ per cent. to 6 per cent. However, the definite amount and terms will not be known for some weeks, and may not even be decided upon until the last minute, and will depend upon the condition of the market at the time.

During the past couple of weeks Sir Thomas White has had a number of conferences with the bond dealers, bankers and financiers with regard to the loan. A more complete, nation-wide organization than was attempted on the first three loans will be made. The other loans, as a matter of fact, were largely taken up by large institutions, and wealthy people and the public generally did not subscribe as widely as in the case of the recent British loan and in the case of the American Liberty loan. It is planned to make this a popular people's loan.

In an article, appearing in the bond department on page 12, the anticipated term on which the new loan is to be floated as understood in bond circles, are published.

NEW WHEAT IS GRADING HIGH; 80% 1 NORTHERN

Ontario Grain Prices 25 Per Cent. Advance Over 1916.

LATE FLAX HIT BY FROST

Maritime Potatoes Good—40 Per Cent. Western Oats and Barley Cut—Many Ontario Crops in Stock.

By F. M. CHAPMAN,
Editor, "The Farmer's Magazine."

Canada's crops this year, as revealed by the first week of September, furnish decidedly cheering returns from every angle. The past week has been ideal for cleaning up the Eastern fields and completing the cutting in the West. Threshing returns throughout all parts show even better results than earlier estimates. The way the grain has filled recently has been surprising. The only drawback to the situation is the shortage of help in getting the whole of the crop saved without loss by weathering and shelling. In the East there are many fields of grain not cut yet, while thousands of acres still stand in stook, a fact that makes this year all the more remarkable throughout. Pastures, corn crops, root crops, and livestock are in good shape for the fall and winter feeding stables. Prices remain firm in all lines of livestock as well as in cereals, dairy and poultry products. All told, it is a year of fat things for agriculture, and returns to the farm, for the first time in years approach the figures that should rule all the time, if the land is to hold a good people on it.

Prices Are Advancing.

It will be noted that all prices to the farmer have advanced, and the total returns will leave an abundance of ready cash with the buying public and farmers are good spenders, a noticeable feature of their buyings being improvements in machinery, lighting and buildings as well as investments in sound commercial propositions.

A wire to THE FINANCIAL POST from Regina states that fully 85 per cent. of the wheat crop is cut, and about 40 per cent. of barley and oats. Slight frosts have occurred.

The Census and Statistics Office has issued a special report on crop conditions in Canada. It says that hay, flax, hemp, oats, barley have done well in the Maritime Provinces, with potatoes a good outlook. Quebec has an abundant yield of potatoes, hay, coarse grains and small fruits.

Miss Hind's Report.

Miss Cora Hind, of Winnipeg Free Press, wires to THE FINANCIAL POST this morning as follows:

"Threshing is going forward rapidly in all the provinces, and to-day 173 cars of new wheat were inspected, all of which were of contract grades, eight being No. 1 hard and 133 No. 1 Northern. The balance numbers two and three. The 1917 crop is one that will not afford much opportunity to mixing houses to do business, as the bulk of it will be straight grade unless extremely unfavorable threshing weather should develop.

"The Board of Grain Supervisors are sitting in Winnipeg to-day considering the price to be set for the present crop. Farmers and others are impatient over the delay, but their task is not an easy one. There are many things in connection with the purchase by Britain of the present crop which make for difficulty in adjusting prices, matters that cannot be spread broadcast, but which nevertheless have to be duly considered. A matter which is apt to be overlooked is the fact that the American food controllers are more concerned in reducing the cost of living to the pub--ic than they are in obtaining a high price for the farmers, as 80 per cent. of their production is consumed at home. In Canada the reverse is the case, and yet at the same time it is impossible for the Canadian price to differ widely from the American if the two countries are to co-operate. A difficulty which Canada labors under is the much slower movement of crop owing to length of haul and congestion of transportation. It would seem fair that there should be a difference in price to cover carrying charges, yet were this made it is quite

Continued on page 7.

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ADVANCES, &c.	do.	67,573,903

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NEWS OF SECURITIES — Reaction Continued

STEEL

Industrial Readjustment Proceeding Satisfactorily. Stock Market Reactionary.

By P. BAIN, M.E., Editor, Canadian Machinery.

Further progress toward a general readjustment of iron and steel prices has been made during the past week, although the surface evidences are by no means spectacular in character. Price fixing by the United States Government is at length believed to be only a matter of a few days removed, but just what the decision will be is meantime a closely guarded secret; in addition, there is the question of a distinction or otherwise as regards purchases made by the Entente Allies. When the prices are fixed, it may prove to be the signal for a general decline in finished steel prices for the ordinary consumer. Although steel makers have never subscribed to the "one price for all" doctrine enunciated by President Wilson, steel buyers think the idea an excellent one and are disposed to bide their time awaiting the market to carry it into effect.

Shell-making so far as Canada is concerned is being rapidly displaced by other, more substantial and permanent industries, and judging by conditions as we find them, little regret is being expressed; rather is there considerable satisfaction in evidence that so little dislocation of plant activity has been caused and in its train so little extended unemployment of operators. As an instance of how not only shipbuilding and marine engineering have largely filled the gap, mention may be made of the fact that a well-known firm of ball bearing manufacturers in Canada have recently booked an order for ball bearings covering a moderate range of sizes, and amounting to one and a half million dollars in value. One has only to scan the "Want Advts." in the daily press for mechanics to fully grasp how sound the industrial situation is being maintained, notwithstanding the fact that the munitions industry has all but disappeared from the map so far as this Dominion is concerned. Our Canadian metal-working plant executives, many months ago realised that they must needs make provision for the maintenance of such skilled mechanics as they possessed on their payroll, and conditions to-day give clear indication that they have successfuly contrived to do so.

Canadian stock markets have been largely under the influence of New York during the past week, and following the declines on a big scale that have taken place there, little wonder may be expressed that domestic prices have maintained the satisfactory levels indicated below. Attractive as present quotations may seem in the light of existing dividend returns, to the man seeking an investment, the indications are that there is much to be gained by waiting for still better opportunities and, if we judge the situation aright, these will not tarry in presenting themselves; perchance, however, at that time, still further advantage may be had by waiting.

	Close, Aug. 30	Close, Sept. 6	Change
Can. Car, com....	30⅛	29⅞	— ¼
Do., pref.	68	65	— 3
Can. Loco.	61	58	— 3
Gen. Elec.	105	105	..
Dom. Bridge	145	140	— 5
Dom. Iron, pref..	90	92	+ 2
Dom. Steel	62¼	63	+ ¾
N.S. Steel, com...	99½	95	— 4½
Steel of Can. com.	57	57¼	+ ¼
Do., pref.	90¾	91	+ ¼
Russell, com.	70	70	..

CANADA FOUNDRIES AND FORGINGS.

The restriction of munitions orders will be felt more especially by the forging plant at Welland of the Canada Foundries & Forgings, yet we do not look for anything but a very temporary curtailment of activities there. Release from shell forging will enable attention to be redirected to engine, ship and general forgings, the demand for which has for a long time been highly abnormal, and the domestic supply of which, even in part, has since early in the war been a sheer impossibility. Ship and engine forgings have had to be imported from the United States and, due to the congestion there in output, deliveries have been far from satisfactory. The stock has been idle during the week.

DOMINION BRIDGE CO.

The Dominion Bridge Co. has secured a new charter of incorporation, increasing its capital stock to $10,000,000. Considerable interest is being taken in the project of raising to place the central span of the Quebec Bridge, so much so that despite advice that the undertaking would not be proceeded with until the middle of the present month, several thousand people were in the vicinity of the structure on September 3, a date by the way suitable so far as tides were concerned. An effort is evidently being made to have the work carried out under the most private auspices possible, a decision, to say the least, with which little fault can be found.

The lapse of shell-making finds "Bridge" well able to take care of itself promptly in the direction of peace-time activities, and with the anticipated successful closing of the gap on the cross St. Lawrence structure, we look to see a period of enlarged business prosperity ahead of the company. Transactions in the stock during the week have been practically nil, with quotations steady around last week's close.

TRURO STEEL.

The Truro Steel company has asked its bondholders for an extension of one year on its obligation, which called for the redemption of the securities last month; this has been granted. The company, as will be noted from an article in another column, has had many difficulties since its organization, but has been finally brought to a successfully working basis. The outlook is now fairly satisfactory. The company is engaged in the manufacture of shells but as these are of a size still in demand there are orders in sight for an indefinite period.

STEEL OF CANADA.

With the lessened steel and shell forging requirements, Steel of Canada, with its multiplicity of product for domestic and general engineering services, may be expected to quickly readjust itself to the new conditions, and become a leader in meeting the needs of consumers who for many months have had to hold their orders in abeyance to munitions urgency. The erection and completion of the recently purchased sheet mill will add materially to the scope of the company's peace-time activities.

The stock in common with its confreres here, has been under the influence of the slumping and generally irregular New York market, weakening to 55¼ on moderate trading, but recovering later.

DOMINION STEEL CORPORATION.

Due to the curtailment of shell-making in Canada, the Dominion Steel Corporation have meantime discontinued work at the 16-inch mill, where shrapnel steel was rolled. Orders are also reported slack in other departments. The coke oven plant now under erection at Sydney is, we are informed, making fair progress towards completion. Coal production at the Glace Bay collieries of the Dominion Coal Co. during August reached only 296,000 tons, being the smallest recorded for that month since 1904, with the exception of August, 1909, when the output was reduced by the U. M. W. strike. Indications are that production for the whole of 1917 will not exceed 3,950,000 tons, which will compare with 4,440,000 tons in 1916, and is at least 1,500,000 tons below the capacity of the collieries with a full working force. The foregoing is doubtless the chief reason for the shortage of soft coal deliveries in Montreal.

The common has continued active, although on a reduced scale as compared with that recently in evidence. The weakness in New York, as might be expected, made itself felt, although the low level of 61 registered demonstrates the technical strength of the stock, and, therefore, its inherent resistance to outside influences. In view of the cessation of shell-making within our borders, it is now quite unlikely that the directors will seek to increase the disbursement as has been anticipated. The outcome of the period of readjustment now upon us will be a determining factor in any dividend change.

NOVA SCOTIA STEEL AND COAL CO.

The directors of "Scotia" met in Montreal on Sept. 3, but, according to advices received, the business transacted was of a routine nature only. Frank Crockard, the new president, attended a board meeting in the metropolis for the first time since taking office. In addition to Col. Cantley, chairman of the Board, other out-of-town directors present included: N. B. McKelvie, T. S. Rogers, J. W. Allison, W. D. Ross, G. S. Campbell and F. Stanfield.

As a result of the let up in munitions manufacture in Canada, production of shrapnel steel and shrapnel forgings has been halted at the "Scotia" plants, resulting in the laying off of something like 1,000 men who had been so employed. It is understood, however, that the majority will find openings in other departments, although doubtless on a lower wage scale. The stock has been specially weak compared with other Canadian steel stocks, due largely to its greater susceptibility to New York influences, all of which have been of a distinctly depressing nature. A low level of 94 was registered.

ALGOMA STEEL CORPORATION

The Algoma Steel Corporation shared very fully in the past thirty months' prosperity of Canada's steel industry. Needless to say, its earnings are the mainstay of the holding company.—the Lake Superior Corporation. Under the terms of a voting trust agreement which terminates on March 1, 1918, it is at present debarred from paying dividends. It is possible that when the voting trust dissolves, surplus earning of the Steel Corporation will be taken into the Lake Superior Corporation accounts in the form of dividends, and that a corresponding change will occur in the "Soo" incomes statements.

Earnings of the Steel Corporation were large also in the 1916 year, and profits for that year were turned back into the plant, which probably accounts for the larger business which was accomplished in the twelve month just closed. The production of pig iron and finished steel compares with the two previous years as follows:

	Year ending June 30 1915.	1916.	1917.
Pig iron	212,917	258,504	348,519
Finished steel	183,439	215,466	280,296

The operations of the steel plant has, of course, run largely to shell steel, although there was a considerable output of rails and merchant bars as well.

CANADIAN CAR & FOUNDRY CO.

Unsettled conditions in the steel market in the United States are tending to more or less interfere with the prompt filling of car orders on the books of the Canadian Car & Foundry Co. Difficulty is being experienced in getting delivery of the necessary steel entering into construction, conditions having become considerably more irksome through enactment of the recent U.S. embargo. Steps are being taken, we understand, to bring about a large-sized measure of relief, but until same is accomplished the capacity outputs of completed cars will continue to be restricted. The common and preferred stocks both indicate a shading of prices, although from the nominal market prevailing, no definite quotation is available.

NATIONAL STEEL CAR.

The placing of additional car orders by railroad interests at home or abroad seems to have ceased for the time being; however, it is satisfactory to note that those already secured by the National Steel Car are having the full administrative energies of the plant concentrated upon them. With an expected easing up of the steel situation, by which quantity and prompt delivery of requirements entering into car construction will be assured, the new management anticipate making an unusually satisfactory production showing. The common and preferred stocks have remained inactive during the week.

CANADIAN LOCOMOTIVE CO.

Concentration on locomotive construction contracts will be the immediate outcome of release from shell-making by the Canadian Locomotive Co. Further, in view of the fact that large orders may confidently be expected to accrue from both domestic and foreign sources, the transition from the manufacture of a war-time commodity back to that of peace-time at the Kingston plant will be little felt or realized, either by the administration or the employees. The common stock has been quietly steady for the greater part of the week; it, however, fell back to 58 in Toronto on Thursday afternoon, 50 shares changing hands at that figure.

PULP AND PAPER

Trading At a Low Ebb, With Price Changes in General Very Small and Mixed.

By W. A. CRAICK.

Apart from this week's meeting of the Laurentide Co., which, in spite of the fine statement presented, exercised no influence on stock prices, market news in the pulp and paper group is very light. Trading is at a low ebb, the total of sales only running to a few hundred shares. There have been no price changes of any consequence, as the following schedule demonstrates:—

	Close, Aug. 30	Close, Sept. 6	Change
Laurentide	171	170	— 1
Riordon	118	118	..
Span., com.	15	15	..
Wayagamack	51	51⅞	+ ⅞
Brompton	44½	45	+ ½
N. A. Pulp	4	3½	— ½

It is believed that the order of the United States Government to the International Paper Co., to supply the public printer with newsprint for the official bulletin at 2½ cents a pound will eventually pave the way for cheaper newsprint to publishers generally. The *Editor and Publisher*, speaking from the standpoint of the newspaper publisher, says:—

"Mr. Wilson's present action is regarded as highly significant by publishers, although, of course, it does not mean that the Government has as yet taken drastic commandeering action for any interest save that of the Official Bulletin.

But publishers do read in the action a set purpose by the Administration to persist in the effort to bring the general price of news print to $2.50. It has the effect of pointedly calling the matter to the attention of Congress and urges action which will empower the Federal Trades Commission to enforce its price ruling. The spectacle of the Government buying news print at $2.50 under the National Defence Act, while the rank and file of publishers are held to a price of sixty cents per hundredweight higher than the figure set as a result of the Federal Trade Commission's investigation, is designed to stand out like a house afire.

"As a matter of fact the President stated in his order that the Administration's price policy will be one that provides the same prices for the public as for the Government.

"Although the plans of the Administration to make this effective is not revealed, it becomes clear that action is to be taken looking to a forced fixing of news print prices by the Government in the interest of publishers and the public in general."

The *Paper Trade Journal* publishes the letter of Senator Fletcher, chairman of the joint committee on printing, to President Wilson, which resulted in the governmental action. Senator Fletcher requested a determination as to whether the Government should avail itself of the authority vested in the President by both the National Defence Act and the Food Control Act to procure newsprint as a necessary war supply. After pointing out to the President the urgent need of the Government for newsprint and the findings of the Federal Trade Commission that 2½ cents a pound was a fair and reasonable price, the letter says:—

"Aside from the substantial interest which the Government itself has in the purchase of newsprint paper at a fair and reasonable price, the publishers of the country, as undoubtedly you are aware, are vitally concerned over the excessive prices they have had to pay for newsprint during the past year.

"The Federal Trade Commission, as you know, has made every effort to relieve this situation as it affects the publishers, but, not having the authority to enforce its findings as to price, has been unable to obtain any material relief for them as yet. I am inclined to believe that if the Government could compel the furnishing of newsprint paper, even if only for its own use, at a fair and equitable price, as has been obtained by this committee during the past three months, it would have a powerful influence in securing, without making additional legislation necessary, such a price for the American publishers, many of whom are facing financial ruin owing to the exorbitant prices that have been demanded for newsprint."

On the other hand, some significance must be attached, in Canada at least, to this week's utterance of J. A. Bothwell, general manager of the Brompton Pulp & Paper Co. Mr. Bothwell says that there will be an advance in the price of newsprint, as set by the Government, from 2½ to 3½ cents. While allowing that the investigation that is being conducted by Commissioner Pringle is not completed, Mr. Bothwell is confident that the new fixed price to supersede the one in effect since the beginning of March will be higher, permitting the mills to make a fair profit, which they are unable to do at the present level.

That the manufacturers in Canada have hopes of a readjustment at a higher price is evidenced by the practice that has been in force for some months back of invoicing the publishers at 2½ cents, "subject to any revision of price that may be allowed by the government, following the newsprint investigation," or words to that effect.

Newsprint manufacturers, however, are not the only paper manufacturers whose operations are being watched. The Federal Trade Commission has recently issued a formal complaint against twenty-three book print paper manufacturers and against the Bureau of Statistics of the Book Paper Manufacturers and Charles F. Moore, secretary of the Bureau, charging all respondents with "using unfair methods of competition in interstate commerce," in violation of a federal statute. The complaint asserts:—

"That said respondents through said bureau of statistics, and particularly through its secretary, Charles F. Moore, are now and for about two years past have been engaged in a concerted movement to enhance the prices of book print paper and to maintain said enhanced prices, and to bring about a substantial uniformity of such prices—due allowance being made for grades, brands, etc. As a result of such activities, prices of book print paper in the United States have been unduly enhanced, and such enhanced prices are being maintained. Such enhancement and substantial uniformity of prices have been effected and are being maintained through the medium of telephone communications, by correspondence, and by personal meetings between the secretary and various respondent members of said bureau of statistics, and by like communications between various members thereof, and by such communications between members and others engaged in the book print paper industry."

The respondents are given notice that the charges will be heard by the Federal Trade Commission on October 10, and that the accused parties will be permitted to appear and show cause why the Commission should not enter an order requiring the respondents to desist from their violation of law.

The pulp market has been soft for several weeks and mills are said to be accumulating large surpluses, which are being held against better market conditions. Both groundwood and sulphite are reported to be somewhat of a drug on the New York market at present. There are large quantities of both offering, but mills generally are well supplied and are only interested in offerings at bargain prices. This is held to be a temporary condition, however, and the future will depend largely upon the Canadian situation, which is certainly unsatisfactory in so far as future shipments are concerned, owing to the acute shortage of labor.

LAURENTIDE.

Laurentide's splendid annual statement, presented at this week's meeting of shareholders, exercised no influence whatever on the market for Laurentide shares. In fact the only sale of the week at 170 was a point under last week's level. This absolute lack of interest in the securities of a company, which is piling up such heavy profits, is significant of the present monetary situation, when the flow of investment funds is being diverted more and more to Government securities.

RIORDON.

A couple of small sales of Riordon at 118 were the only evidences of life in this issue during the week. This is the same price as was quoted last week.

SPANISH RIVER.

Fifteen dollars a share seems to be the established price for Spanish River common at present, sales at this figure having been reported last week and this. The preferred stock has not been touched. The annual meeting of the Spanish River Company is scheduled for this month and the expectation is that good progress will be shown in the direction of a rehabilitation of the company's finances.

WAYAGAMACK.

The unbroken decline in the price of Wayagamack common to which reference was made last week has evidently been causing the directors some concern. A meeting of the executive was held on Friday of last week and a statement was authorized that the company is now operating to its fullest capacity and at a higher efficiency than at any time in its history. The company is producing a higher grade of sulphate pulp and kraft paper than ever before and the board of directors feel that everything in connection with the company's affairs is progressing up to their most sanguine expectations. The physical condition of the plant, they add, is excellent.

Probably in response to this favorable statement, the stock was a trifle stronger this week, selling up from 50 to 51⅞.

BROMPTON.

Whether general manager Bothwell's prophecy that the Government would raise the fixed price of newsprint from

2½ to 3½ cents a pound, following the paper investigation, was intended to encourage the market for Brompton or not, the stock made practically no response to the statement. Last week, it sold off from 46 to 44½. This week, it sold at 44, with a close at 45 on Thursday.

NORTH AMERICAN.

North American shares struck the lowest point in their career this week at 3¼. The previous low was 3 15/16 on August 17. The stock has been selling at 4 or better for the past two months. No special explanation, apart from general conditions, is given of the present weakness.

INTERNATIONAL PAPER.

The effect on the International Paper Co. of the Government's order that it must furnish newsprint to the public printer for the official bulletin at 2½c a pound is variously regarded. The *Wall Street Journal* thinks that the company has been placed in a difficult position, with the Government on one side demanding cheaper paper and the minority shareholders asking for more profits. Should it refuse to furnish the paper required, the Government has the right to confiscate and operate the mills. The petitioning stockholders have asked the removal of President Dodge and other officers of International Paper Co., mentioning their indictment with other newsprint manufacturers for violation of the Sherman Anti-Trust law. Should the company accede to the Government's demand, these stockholders will want to know the reason for so doing if the costs of production substantially exceed 2½ cents, as the company has stated.

In a letter to Cornelius Ford, Public Printer, Chester W. Lyman, vice-president of International Paper Co., says the price of 3 cents a pound only gives a very moderate profit and is $2 less than the company has sold any news print for during the current year and at least $10 lower than could be obtained in the open market. This statement renders it apparent, therefore, that newsprint is being sold in the open market at over 16% in excess of what Mr. Lyman terms "a moderate profit."

MILLING

Interest Centers Around the Probable Price to Be Fixed for Wheat—Securities Market Quiet.

By J. L. RUTLEDGE.
Editor Canadian Grocer.

At the present moment everything in the milling business takes second place to the interest that is manifest in the probable set price for wheat. At the time of going to press the Board of Grain Supervisors in session at Winnipeg had given no indication as to what price might be expected. The general feeling is that the price will conform with the American set price of $2.20. So strong is this feeling that the actual trading in Western spring wheat during the past week resulted in setting a market at exactly that figure.

The result of this uncertainty has been a general holding back of buying orders, though there are many indications that the feeling in favor of buying is steadily increasing. Reserve stocks have been largely exhausted in the long period of restricted buying, and once that the wheat price is set, and trading conditions thereby stabilized, it is felt that there will be a strong buying impulse.

The satisfactory reports of the Western crop both as to extent and quality have had a very reassuring effect on the business. There seems to be the promise of a very satisfactory year ahead, which with many of the larger companies just closing their financial year is a very satisfactory state of affairs.

The demand for cereals continues fairly brisk, though the tendency is toward an easier feeling in regard to price. This is mainly the result of promising harvest conditions in oats.

The demand for mill feeds remains good, with some little demand for export business. Prices on these lines still remain strong despite the declining market in wheat.

On the whole the week's trading has been decidedly satisfactory. Export business of course has been practically at a standstill for domestic account but the steady stream of war contract business forms a substantial item in the trade of those concerns who have specialized in this export business in the past.

LAKE OF THE WOODS.

Though trading in the Lake of the Woods Milling company stock was of small extent, what little there was showed a slightly downward tendency. The quotation for the week was at 124 a decline of a point over the previous price and the lowest figure that the stock has reached for some time past. This in the face of the fact that the company has just closed its fiscal year which, if reports speak truly, has been one of the best in its history. Throughout the whole year trading in this stock has been of a merely nominal nature while is the preferred only two shares have changed hands so far this year. This was in January and the price was 116.

OGILVIE FLOUR.

There was some slight activity during the week in the stock of the Ogilvie Flour Mills company, and, if anything, the transactions seemed to indicate a slightly brisker feeling. In company with all the other milling stocks, however, it has attracted only a very limited attention during the past year, though according to the best indications, all the milling companies will be in a position to report a very satisfactory year's business. On Friday of last week some sales were made at 145. Wednesday trading opened at the same figure, but mounted rapidly till 148 had been reached. From this figure it declined again to the opening price after which it again showed an indication of strength closing strong at 148. The only sale in the preferred was made at the prevailing figure of 112¼.

WESTERN CANADA.

It is expected that this company will show a very substantial trading profit for the fiscal year closing Friday of this week. Business is reported to have been of a brisk order and should show a substantial margin.

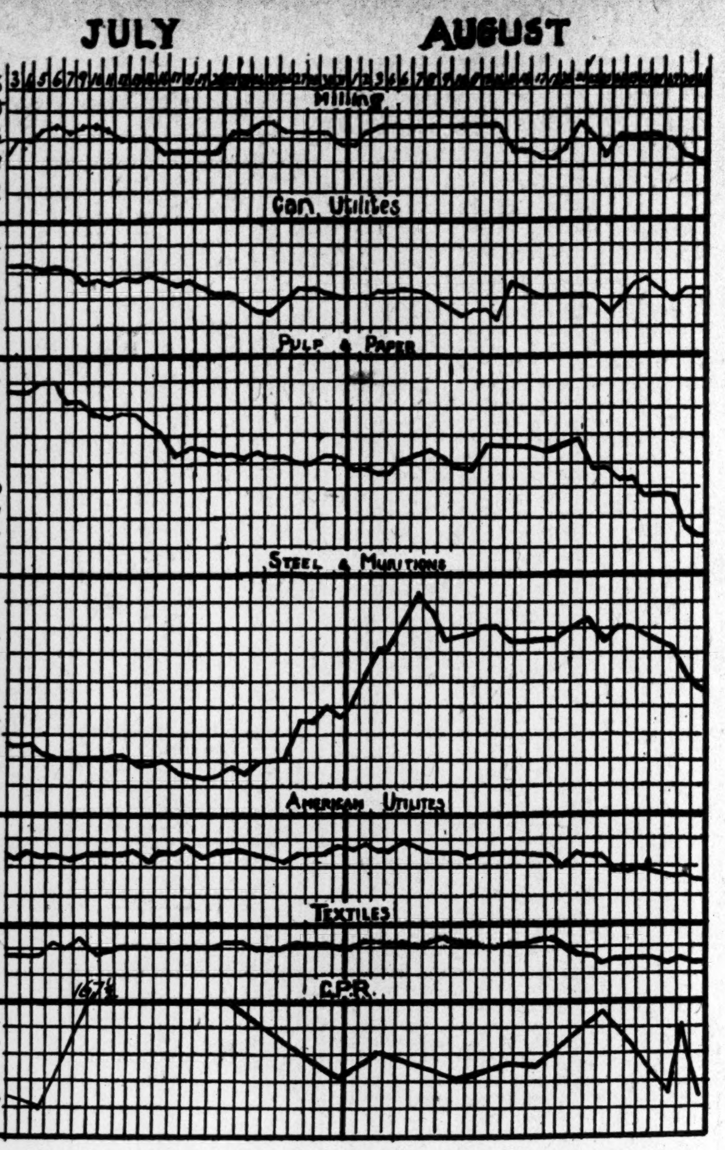
MAPLE LEAF.

A slightly weaker feeling was evidenced in the trading in Maple Leaf Milling company securities. Sales were comparatively light, and there was apparently no eager demand. Friday's selling opened at 101 but quickly declined to 99. One point of this was recovered in Tuesday's trading, and this gain was held showing a loss to the time of writing of only one point. The sales in the preferred were practically negligible but remained steady at 92.

INTERNATIONAL MILLING.

This company also brings its fiscal year to a close with Friday of this week. Those best posted expect that it will show the same substantial trading balance that has marked its history practically since its incorporation.

CANADIAN STOCK MOVEMENTS



THE FINANCIAL POST'S chart of Canadian securities movements for the month of August, compared with that of July, as herewith presented indicates that the strength of the situation during the month was largely confined to the steel and munitions group and that the net advantage at the close was not great. Milling, Textile, Pulp and Paper and foreign utilities showed a decline towards the close that more than wiped out any small improvement previously registered. Canadian public utilities after see-sawing closed with some small improvement.

Movements are recorded on the basis of sales rather than quotations and indicate the effect of the changes recorded over the whole group.

Following are maximum and minimum averages in the different groups for the past four months:—

	May.	June.	July	August.
Milling, 5 stocks	106.7-104.0	104.2-103.0	104.6-103.6	104.6-103.2
Can. Utilities, 9 stocks	89.1- 85.9	84.5- 83.2	83.2- 81.6	82.8- 81.5
Pulp and Paper, 7 stocks	75.8- 73.7	76.0- 73.9	73.9- 71.0	71.8- 68.4
Steel and Munitions, 10 stocks	65.8- 62.3	66.1- 64.5	66.0- 63.4	69.2- 66.0
Am. Utilities, 6 stocks	65.1- 63.2	63.6- 61.9	63.6- 61.9	61.8- 60.6
Textiles, 6 stocks	57.8- 56.3	57.3- 55.6	56.1- 55.8	56.3- 55.4

MINING STOCKS

Market Holding Well in Face of the Weakness of the Outside Markets.

With average daily sales, for a short week, of 120,410 shares, the Standard Exchange has been showing more activity since the holiday. Considering the weakness in the New York market, which always has a certain prejudicial effect, the mining shares have held remarkably well. This was particularly true of the silver stocks. With the exception of Timiskaming which was influenced by Thursday's special meeting, practically all the Cobalt issues registered gains for the week. The gold issues, on the other hand, with a few exceptions sold off slightly from last week's close. The change for the week in the principal stocks was as follows:—

	Close Aug. 30	Close Sept. 6	Change.
Adanac	.16	.19¾	+ .03¾
Beaver	.35	.36½	+ .01½
Dome Exten.	.16½	.16½	....
Dome Mines	10.00	10.00	....
Hargraves	.13½	.14½	+ .01
Hollinger	4.60	4.65	+ .05
McIntyre	1.57	1.54	— .03
Nipissing	8.40	8.55	+ .15
Vipond	.32	.30	— .02
Newray	.82	.79	— .03
Temiskaming	.32¼	.30	— .02¼
West Dome C.	.17	.18	+ .01

The week's business, together with the daily quotations on bar silver in New York, was as follows:—

	Transactions Shares.	Silver Cents.
Friday, Aug. 31	74,015	90⅝
Tuesday, Sept. 4	144,010	93⅝
Wednesday, Sept. 5	116,728	95⅝
Thursday, Sept. 6	146,890	95⅝

During the last week of August ore shipments from the Cobalt camp amounted to 699,517 pounds, sent from the following mines:—

Shipper.	Pounds.
Dominion Reduction Co.	255,300
Kerr Lake	119,212
Nipissing Mines	197,630
La Rose Mines	87,375
Crown Reserve	40,000
Total	699,517

Bullion shipments were a little below the average:—

Shipper	Bars.	Ounces.	Value.
Mining Corp.	74	74,530.75	$67,144.82
Nipissing	38	50,707.63	45,383.73
Total	112	125,238.38	$112,528.15

Employees of the silver mining companies of Cobalt are sharing in the added prosperity due to the increased price of silver. As the average price for August was well over 80 cents, they will be entitled to receive this month a bonus of 75 cents a day. Reckoning that there are 3,000 employees in the camp, this means a daily addition of $2,250 to the wage bill, or a total of $675,000 annually, based on a 300-day working year for each man. One result of the increased pay will doubtless be to attract more labor to the camp.

An interesting side-light on the effect of the rise in silver is afforded by a story from New York, which tells of the melting down of Mexican dollars into bullion. The Mexican silver dollar is ordinarily worth about fifty cents. It is now worth in the neighborhood of 75 cents. The rise in value of the metal has raised the question as to whether the American dollar is safe. According to the authorities there will be no danger of this until bar silver climbs to $1.29 an ounce.

A case which will have considerable interest for those Cobalt companies using the oil flotation process has been decided by the Delaware District Court. The Minerals Separation Co. brought action against the Miami Copper Co., alleging infringement of patent rights, and won their case. While it is expected that an appeal will be made to higher courts, the decision, if sustained, will likely involve a large sum of money in the way of accrued royalties. Moreover, the judgment has reference to a number of Cobalt mining companies, which are utilizing the oil-flotation process in refining their low grade ores and dumps. The process originated in England, but was patented in America. The Delaware District Court gave judgment that patent rights were infringed on two counts, while the Lower Court gave the plaintiffs all three counts.

It is claimed by the Minerals Separation Company that profits of $20,000,000 accrue to them from the use of their patents by the Butte and Superior Company and $5,000,000 each from Utah, Chino, Ray and Miami. Numerous other companies have been using the same process.

Larger Cobalt companies using the process and who are thus involved are the following: Buffalo Mines with a daily capacity of 600 tons, Coniagas with 500 tons, McKinley-Darragh with 300 tons, Nipissing with 300 tons, Dominion Reduction with 200 tons, Northern Customs with 200 tons, and National with 100 tons. Should the Minerals Separation Co. succeed in securing a royalty from these mines, it would be a negligible factor in reducing the profits of the companies.

CANADA COPPER.

Plans of the Canada Copper Corporation are said to imply greatly increased activity in the British Columbia mining field. Shareholders have recently voted to increase the capital stock to $10,000,000 and also to issue $2,500,000, 10-year, 6 per cent. first mortgage sinking fund convertible bonds. The present authorized capitalization is $5,000,000 in $5 shares, of which 945,949 shares are outstanding. The new capitalization will be 2,000,000 shares, par $5, part of which will be held for the conversion of the bonds. The bond issue is to cover the development of the property and includes erection of a mill and to supply working capital.

These developments are expected to have an important bearing on the fortunes of the Consolidated Mining & Smelting Co. of Canada. The latter will benefit in two ways: In the first place, the necessary power to operate Canada Copper's large installation is to be supplied by the West Kootenay Power & Light Co., Ltd., which is owned by Consolidated. In the second place, it is understood that the copper and other products created by this new development will for a time at any rate be smelted and refined at the Consolidatde's plant at Trail.

CONSOLIDATED SMELTERS.

Four new mines appear among the list of shippers of ore to the Trail smelter last week, these being the Gray Copper and Lone Bachelor at Sandon, the Prince Henry at Greenwood and the Kamloops Agencies at Kamloops, the four mines shipping a total of 69 tons, of which the first named shipped over half. An increase of 786 tons is shown in the amount of ore received at the smelter during the week when the total was 8,327 tons, which was contributed to by thirty-four mines. The heaviest shipper of the week was the Sullivan mine which shipped a total of 2,391 tons as against 2,791 for the week before. The Emma mine in the Boundary district was the second heaviest shipper with a total of 1,767 tons. The total tonnage of ore received at the Trail smelter for the year to date is 224,279 tons.

DAVIDSON.

A preliminary report by directors of the Davidson Gold Mines, states that during the past nine months 15,000 feet of surface and underground work has been done and the main shaft sunk to a depth of 347 feet, with stations every hundred feet. In addition approximately 2,000 feet of diamond drilling have been done. During the period covered, 400,000 shares of treasury stock were sold to provide working capital and in the neighborhood of $80,000 has already been expended in development alone. More capital is needed and a further sale of treasury shares is being arranged. Shareholders are asked to consent to a further pooling of their shares until December 31.

HOLLINGER.

Reports from Porcupine state that development work at the Hollinger Consolidated proceeds apace. The efficiency of the present force is fairly satisfactory, though an additional 500 men could be conveniently used. Production is high and it is supposed that the deficit shown in the early spring has been wiped out by this time. The opinion is held that about the end of the year, the dividend will be restored or at least a bonus be disbursed.

There has been very little trading in Hollinger this week. On Wednesday a few shares sold at 4.70 and 4.65, comparing with 4.60 at the close of last week.

LAKE SHORE.

At last Saturday's meeting of the directoirs of the Lake Shore Mines, a by-law was passed authorizing the sale of a block of 200,000 shares of treasury stock at not more than 70% less than par. As it is only a few weeks ago that a by-law was passed authorizing the sale of 300,000 shares, it is presumed that the 500,000 shares will be placed altogether. The new money thus secured will probably finance the completion of the present milling equipment and carry operations to a point where the mine will be self-supporting. Ore reserves are now placed at about half a million dollars.

LUCKY CROSS.

A special meeting of the Lucky Cross shareholders was held on Tuesday in Toronto for the purpose of considering ways and means to discharge the bonded indebtedness of the company. It will be remembered that the company went into liquidation a short time ago. The outstanding bonds of the company amount to $56,400, of which eighty per cent. was represented at the meeting by Frank Huth of Nazareth, Penn. Mr. Huth informed the shareholders that the bondholders were prepared to bid for the property if the company were unable to redeem the bonds or unable to dispose of the property to others. The shareholders passed a resolution to wind up the company and approved of the sale of the property to the highest bidder. The Lucky Cross property is situated in the Kirkland Lake district and has the unusually large area of 800 acres, most of which is located in the mineralized zone of the camp. It lies about a mile and one-half from the Lake Shore and the McKane properties, of which so much has been heard lately. The property has been reported on very favorably by several prominent mining engineers, but owing to lack of capital the company was forced to discontinue operations about two years ago. At the time the work was stopped the shaft had been sunk 300 feet and a stamp mill was running.

McINTYRE.

The annual meeting of the McIntyre Porcupine Mines will be held on September 28. Meanwhile the annual report for

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - $15,000,000
REST - - $13,500,000

Head Office, TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD - - General Manager
H. V. F. JONES - - Ass't General Manager

The Bank has branches in every part of the Dominion of Canada, as well as in St. John's, Newfoundland; New York, Seattle, San Francisco, Portland, Ore.; Mexico City, and London, England. By reason of its many branches in Canada, the Bank is able to place at the disposal of correspondents abroad excellent facilities for the transaction of every kind of banking business.

Collections

Collections made in any part of Canada at reasonable rates.

A GENERAL BANKING BUSINESS TRANSACTED

The Dominion Bank

HEAD OFFICE - TORONTO

Sir Edmund B. Osler, M.P., President
W. D. Matthews, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

CAPITAL, - - $ 6,500,000
RESERVE, - - 12,000,000
TOTAL ASSETS, - 115,000,000

HEAD OFFICE, HALIFAX

BOARD OF DIRECTORS:

John Y. Payzant, President — Charles Archibald, Vice-President
G. S. Campbell — S. J. Moore — W. W. White, M.D.
Hector McInnes — J. Walter Allison — W. D. Ross.
James Manchester — Hon. N. Curry — Hon. M. C. Grant

GENERAL MANAGER'S OFFICE, TORONTO

H. A. Richardson, General Manager. J. A. McLeod, Asst. General Manager.

A general banking business transacted. Letters of Credit issued, drafts bought and sold, payable in all parts of the world. Savings Deposits opened by deposit of $1 or over, interest added half yearly.

UNION BANK OF CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital .... $ 5,000,000
Reserve 3,400,000
Total Assets .... over $109,000,000

John Galt .... President
H. B. Shaw .... General Manager
J. W. Hamilton... Assistant General Manager

This Bank, having over 310 Branches in Canada extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of banking business.

Travellers' Cheques and Letters of Credit issued payable all over the world.

Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange.

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London (England) Office, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureau established at that Branch. New York Agency, 49 Wall St., New York City. Geo. Wilson, Agent

CORRESPONDENCE SOLICITED.

NEWS OF SECURITI E

Continued from page 3

the fifteen months ending June 30, 1917, has been issued. It shows current assets of $307,137 and fixed assets of $4,432,349. The value of mining properties is placed at $3,617,254, as against $2,404,378 in the statement of March 31, 1916. The satisfactory condition of the mine's affairs is shown by the surplus of $741,903, comparing with a profit and loss account balance of $383,149 in the annual statement, dated March, 1916. No provision was made for business profits tax for 1916-1917. The amount written off for depreciation for the fifteen months covered by the report was $114,763, as compared with $137,245, as of March 31, 1916, and making the depreciation reserve fund total $252,009. In addition to this, $148,987 is charged up to general reserve, of which $88,015 is represented by profit on McIntyre-Jupiter prior to acquisition, January 1, 1917.

McIntyre shares developed weakness on Wednesday selling down from 1.58 to 1.52. There was a recovery on Thursday to 1.56, with a close at 1.54.

NIPISSING.

As the largest producer of the Cobalt camp, special attetion is being bestowed on Nipissing in view of the effect of the high price of silver on its resources. With silver at 90 cents and costs around 30 cents, Nipissing, with a 4,000,000-ounce yield, would be earning at the rate of $2,400,000 per annum or more than double the present dividend rate of 20 per cent. Similarly, ore reserves of approximately 9,000,000 ounces have appreciated below ground to the extent of $1,500,000.

Last year it cost Nipissing five cents more to produce an ounce of silver than in 1915, the average being 24.13 cents against 19.06 cents in the preceding year. Since this year was ushered in wages have gone up, materials cost more, and everything figured in operating costs has advanced so that to-day's cost item must be nearer 30 cents than 20 cents per ounce.

In the year 1916 the company received an average of 68.79 for its production of 4,044,653 ounces, against an average of 65.66c reported for 1916 by the *Engineering and Mining Journal* as the New York price. In 1915 Nipissing averaged 50.06c on 4,097,391 ounces, as against 49.6c New York price. In year 1914 Nipissing averaged 55.36c on 4,689,363 ounces against a New York price of 54.8c.

The 1916 price realized by Nipissing was over 3c above the New York price, and Nipissing is expected to equal or better this record in 1917. This means $120,000 a year added to profits.

The Northern Miner points out that the Nipissing will now be able to increase its mine run of ore approximately 20 per cent. through the extended use of the flotation process.

The Nipissing has now five Callow rougher cells and one cleaner cell. The flotation capacity will be increased to eight roughers and two cleaner cells. The present capacity of the mill averages about two hundred and forty tons a day. It is expected that a capacity of from 250 to 300 tons a day will be secured. The installation of flotation will allow the bringing down of cyanide consumption, which is at present the largest item in milling costs. The heads to flotation will average about eight ounces a ton, of which it is expected to extract six ounces, resulting in a tailing containing two ounces per ton. Mill heads run between thirty and forty ounces per ton.

Nipissing sold up from 8.40 to 8.55 during the week and closed strong.

NORTHERN PYRITES.

A report from Fort William refers to the prevalence of great activity at the mines of the Northern Pyrites Co., near the old town of Sioux Outlook, now known as Graham. The company is taking out ore and shipping it at the rate of from 16 to 20 cars per day. These cars are sent to Fort William where the ore is loaded on ships and conveyed to Buffalo, where a large part of it is treated for the production of sulphuric acid. It is the intention of the company to increase production largely next year and to make much larger shipments of the sulphur ore.

SCHUMACHER.

A special letter on Schumacher Gold Mines has been issued by Homer L. Gibson & Co. This mine, they claim, is the next big mine of Porcupine Camp. Its 160 acres, immediately adjoining the McIntyre and Holinger, Consolidated, has already been proven to have very large tonnages of profitable ore in place and, in addition, immense probabilities of future productiveness. The last official estimate of ore reserves, which was given in the second annual report of the company for the year ending March 31, 1917, stated that 99,425 tons of ore, valued at $674,240, had then been developed. This represented an increase, in the nine months covered by that report, of 75 per cent., or nearly $300,000 in gross value. It is now confidently stated that the present value of ore in sight is fully $1,000,000. This indicates with almost absolute certainty that ore reserves will be doubled before the close of the present fiscal year.

It is further pointed out by Homer L. Gibson & Co. that the deepest workings at present are at a depth of 600 feet whereas McIntyre's really sensational development came with the opening up of ore bodies below 700 feet. Present ore bodies consequently have immense possibilities at greater depths. In addition there is an immense ore zone lying south of the main shaft, which has never been developed underground.

The letter further refers to the installation of additional mining and milling machinery. It will be possible shortly to handle 300 tons of ore daily, making Schumacher easily the fourth mine in Porcupine.

Schumacher shares have been selling between 55 and 56 this week, which is about on a level with the close last week.

TEMISKAMING.

The special report on the Temiskaming Mine by Balmer Neilly, C.E., was issued early in the week. The statement presented placed total ore reserves at 11,572 tons of which all except 124 tons is broken ore. The silver content of this ore is conditionally placed at 550,567 ounces, but this statement is qualified towards the end of the report, and is placed at 400,000 to 450,000 ounces. The engineer placed emphasis on the statement that only positive ore was taken into account in compiling the report. An exhaustive analysis of the mine's ore reserves was made by Mr. Neilly and a full explanation of methods and procedure was given in his report.

The special meeting of Timiskaming shareholders held on Thursday afternoon was not as lively as had been anticipated, the directorate offering no opposition to the various changes in by-laws emanating from the rival camp. President Culver told the meeting that there was no use taking up time opposing the proposals as the Wills-Morganstern people had the necessary proxies to carry them anyway.

The meeting failed to be entirely satisfied with the report on mine conditions made by Engineer Neilly and a second examination was ordered with a view to getting an estimate on probable ore contents of the mine, something which Mr. Neilly did not give. This examination will be made by Douglas Mutch of the Hudson Bay Mine, who is also consulting engineer for the Dome Lake.

Timiskaming shares developed weakness in anticipation of the special meeting. Opening on Tuesday at 31, they sold down to 28. On Wednesday, 27½ was touched, but there was a recovery to 30, and on Thursday trading ranged between 29½ and 30½.

TEXTILES

Sales Very Light During Week With Few Changes—Cotton Due for Further Drop.

By H. H. BLACK.

There was slightly more activity, or at least more variety in the movement in textile securities this week, but no heavy trading. One security was up half a point and another down the same, and the rest remained steady. The stocks of most of these companies are so closely held that general conditions in the stock market exercise little influence unless they become pronounced.

The labor situation that early in the year was threatening to dislocate business seriously is improving gradually. The cool weather of the past week in itself had a quite appreciable effect on the return of female help which falls off during the summer months. Inquiries among the mills by THE FINANCIAL POST brought replies that the turning out of munition workers had improved the supply although male help was scarce owing to the enlistment of the skilled workmen during the past two years. The easing up on munitions, however, will, it is believed, offset the difficulties that the enforcement of conscription otherwise would entail.

Orders continue to ease off in cotton textile lines although practically all the mills have several months of orders ahead.

The weakening of the raw cotton market that has been indicated for several weeks past continues to develop and spot is very little above 21 cents and futures, considerably below. The margin over the prices of one year ago has now dropped to about 5 cents. New York looks for a further drop, and perhaps one of several cents. Events of the past two or three weeks are operative to reverse the former upward tendency, a combination that even two or three months ago would have been deemed unthinkable. Instead of the great scarcity that was predicted, behold a prophecy this week that there would be more than would be required, and a crop of 1,000,000 bales more than last year. So far as export is concerned, the United States is keeping a sharp outlook on the supplies that last year went to neutrals, and can be depended on to cut down the previous allotments. Then the new child labor legislation is expected to be upheld and lessen the requirements of the fabric mills.

The effect of this downward movement, on the business of Canadian mills is a little difficult to forecast accurately, but undoubtedly will tend to check heavy buying of textiles in advance lest present prices may decline in sympathy with the raw market. However, with the demand at least equal to the capacities of the mills it is unlikely that this will follow:

The woolen mills are in a different position; wool and yarn show no signs of a decline, nor does the available supply of woolen goods give any indication of even nearly satisfying the demand. This places the woolen and knit goods factories in a strong position.

	Close, Aug. 30	Close, Sept. 6	Change
Can. Cot., pref. . .	75½	75	— ½
Dom. Tex., com. . .	83½	83½	. .
Mont. Cot., com . .	52	51	— 1
Do., pref.	100	100	. .
Penmans, com. . .	70½	70	— ½
Do., pref.	82½	84	+ 1½

WABASSO COTTON

With gross profits for the year ending June 30, of $181,349 and net profits of $61,321 after making all necessary allowances, the annual report of the Wabasso Cotton Company showed earnings on the common stock of 3.5 per cent. Last year the gross was $147,544 and the net $41,734, or 2.4 per cent. on the common. The results are considered satisfactory although the increase in earnings is not so great as might have been expected in view of the general prosperity in the industry and the high earnings shown by other textile companies.

CANADIAN CONVERTERS.

For a month past there have been no sales of the stock. The range for the year so far has been slight, 43 to 40, compared with fluctuations from 46 to 30 in 1916.

CANADIAN COTTONS.

The preferred stock declined another half point this week from 75½ to 75, two points below the 77 of three weeks ago, which was the lowest point to date. The last sale of common was at 50.

DOMINION TEXTILE.

The most encouraging report this week on Dominion Textile Co. was a statement by an official to THE FINANCIAL POST that there had been a considerable improvement already with the cooler weather, and that with the influx of labor from the munition plants the mills would shortly be able to run to capacity. The dropping off in the warm weather usually cuts the output by from 10 to 15 per cent. as has been stated before Dominion Textile has orders ahead of it for some months.

The publicity given to the plan for a new mill seems to have reacted favorably the last couple of weeks, for the stock sold at 83⅝, 84 and 83½ this week, closing on Thursday at 83½, one half point over last week's final quotation. Preferred has not been touched for three weeks, when it was 101.

MONTREAL COTTONS.

A few sales of common took place at 51, one point above the previous quotation. In the preferred last week's 100 was repeated, the low for the year.

MONARCH KNITTING.

No sales occurred this week, as for months past. Common last stood at 35 and preferred at 80. It looks as if the public were waiting for Monarch to show how the new year is turning out with heavier advances guaranteed, and larger output in the new hosiery mill.

PENMANS.

The common came on the market in the form of 10 shares at 70, half a point below two weeks ago. Preferred, however, was slightly higher at 84.

TRANSPORTATION

Lower Tonnage of Grain Moving From the West Affects Railway Earnings.

The reduction in the tonnage of grain, moving from the West as compared with one year ago cut down the gross earnings of the three principal Canadian railroads by $866,256 or nearly 4 per cent. for the month of August, and the G.T.R. was the only one to show an increase. The totals for the first eight months of the year, however, show an increase of $16,039,739, or close to 10 per cent. on the total earnings of $163-909,764. The reduction in August as compared with one year ago is the first unfavorable return that has been made this year, the month of July, for instance, showing an increase of $1,825,119. The two summer months taken together therefore, are nearly $1,000,000 to the good, and in themselves constitute a new record for the period. A comparison of the returns for the three roads for August follows:

	August, 1917.	Change.	%
C. P. R.	$12,023,000	—$857,000	—6.7
G. T. R.	6,020,820	+ 270,444	+4.7
C. N. R.	3,405,200	— 279,700	—7.6
Total	$21,449,020	—$866,256	—3.9

The gross earnings for the eight individual months to date are as follows, compared with 1916:

	1917.	Change.	%
Jan.	$17,450,888	+$ 2,726,672	+18.5
Feb.	15,043,606	+ 375,691	+ 2.5
March . .	19,967,637	+ 2,623,194	+15.1
April . . .	20,236,111	+ 2,158,306	+11.9
May	23,709,303	+ 3,755,467	+18.8
June	23,281,719	+ 3,441,546	+17.4
July	22,771,680	+ 1,825,119	+ 8.7
August .	21,449,020	— 866,256	— 3.9
Totals .	$163,909,764	+$16,039,739	+ 9.8

CANADIAN NORTHERN.

The Canadian Northern Ry. system reports gross earnings for the ten-day period ending August 31, amounting to $1,134,400, which is a gain of $5,300 over the corresponding period in 1916. From July 1, to August 31, the earnings were $7,250,100, a decrease of $269,000. For the month of August the earnings amounted to $3,405,200 compared with $3,684,900 for August a year ago, a decrease of $279,700 or 7.5 per cent. Comparative figures follow:

	1917	1916	Change	%
Aug. 7. . . .	$775,500	$868,000	— $92,500	10.6
Aug. 14. . . .	746,800	841,500	— 94,700	11.2
Aug. 21. . . .	748,500	846,300	— 97,800	13.0
Aug. 31. . . .	2,008,128	1,952,163	55,965	2.8
	$3,405,200	$3,184,900	—$279,700	7.5

The Government proposal for the purchase of the common stock surplus of the Canadian Northern Railway is now before the Senate, having passed the House of Commons under the closure. It would appear that there would not be any opposition in the upper chamber likely to imperil the measure. The price to be paid to the shareholders will be set, according to the provisions of the Bill, by a commission. The opposition to the Bill has not been against Government ownership of the system but to the Government's proposal of paying for the stock which it has been claimed might have been avoided by throwing the system into a receivership. Such a course, however, did not receive any general support.

GRAND TRUNK.

Gross earnings of the Grand Trunk Railway system for the ten-day period August 31, amounted to $2,008,128 and are higher by $55,965 than for the corresponding period in 1916, while for the month of August the earnings were $6,020,820 as compared with $5,750,376 for the same month a year ago, an increase of $270,444 or 4.7 per cent. Comparative figures for the month follow:—

	1917	1916	Inc.	%
Aug. 7. . . .	$1,320,706	$1,256,376	$64,330	5.1
Aug. 14. . . .	1,320,753	1,236,980	83,764	6.8
Aug. 21. . . .	1,371,233	1,304,848	66,385	5.
Aug. 31. . . .	2,008,128	1,852,163	55,965	2.8
	$6,020,820	$5,750,376	$270,444	4.7

CANADIAN PACIFIC.

For the ten-day period ending August 31, the Canadian Pacific Railway's gross earnings amounted to $4,018,000, which is $74,000 or 1.8 per cent. smaller than for the corresponding period in 1916 when the earnings amounted to $4,092,000. For the month of August the earnings were $12,023,000 compared with $12,880,000 for the same month in 1916, a decrease of $857,000 or 6.6 per cent. Following are comparative figures for August:—

	1917	1916	Inc.	%
Aug. 7. . .	$2,559,000	$2,985,000	$426,000	14.3
Aug. 14. . .	2,746,000	2,943,000	197,000	6.7
Aug. 21. . .	2,700,000	2,860,000	160,000	5.5
Aug. 31. .	4,018,000	4,092,000	74,000	1.8
	$12,023,000	$12,880,000	$857,000	6.6

Lord Shaughnessy has issued a statement in connection with the proposed acquisition of the Canadian Northern by the Government. He makes a direct and emphatic denial of the statement published by certain newspapers that the C.P.R. was offering organized opposition to the Government proposals; no effort had been made by the company to influence the vote of a single member of the House of Commons or the Senate. He admitted that the acquisition of the C.N.R. by the C.P.R. had been discussed by representatives of the parties concerned, "but the discussion was at the suggestion of members of the Dominion Cabinet."

This latter statement has brought a counter statement from Sir Thomas White, in which he declares that the negotiations referred to were initiated by the companies themselves, and not by the Government. The point is, therefore, somewhat clouded, although so far as the effort of the Minister of Finance to clear the Government is concerned it might be pointed that Lord Thomas did not necessarily refer to the Government when he referred to members of the Cabinet—the latter might well have started the discussion referred to without making it a Government proposal.

Lord Shaughnessy said further in his statement that the fate of the Canadian Northern was not a matter of special moment to the C.P.R. as a common carrier, but that the company, having a common interest in Canada, viewed with apprehension the possibility of the payment of an excessive price for the alleged equity of the holders of the majority of the stock. He hoped that no consideration would be given to unfortunate private ventures, such as coal mines, lumber mills, blast furnaces, etc., but Sir Thomas White points out that these are not owned by the Canadian Northern Railway Company, and will not be considered in valuating the shares to be acquired by the Government.

At the National Exhibition luncheon on Thursday, Sir George Bury, vice-president of the C.P.R., spoke of the aim of the railway in serving the public. To the idea that the railway companies were soulless corporations, he replied that a railway was not different from a department store, in that service and accommodation depended upon patronage and good-will of the people. He instanced how the C.P.R. and other railways of Canada had proved themselves to be human institutions of great importance in these trying times of war.

Canadian Pacific stock sold down to 155 this week, which is the lowest figure recorded in the Canadian market since the middle of March. This may be taken as a reflection of the effect of rising costs of transportation, or of a feeling on the part of shareholders and the investing public that with the Government

(Continued on next page.)

Laurentide Company, Limited

ANNUAL REPORT

For the Year Ended June 30th, 1917

To THE SHAREHOLDERS:

The Directors have pleasure in submitting to you a Statement of Profit and Loss for the year ended June 30th, 1917, and a Balance Sheet as at June 30th, 1917.

The favorable position of the Company in respect to its diversity of products has enabled it to materially increase its profits during the past year.

A large portion of these profits have been derived from the sale of pulp products, which have been developed pending the time when you deem it wise to continue the further development of your paper products.

The Company's Bond issue is due and payable on January 2nd, 1920. The Company is prepared to redeem these Bonds in advance of their maturity at par and accrued interest, upon presentation of the Bonds to the Royal Trust Company, Montreal.

The Directors have under consideration the creation of a Pension Fund, and propose to set aside the sum of One Hundred Thousand Dollars towards that Fund.

For the Directors,
GEORGE CHAHOON, Jr.,
President.

WORKING ACCOUNT.
For the Year Ended 30th June, 1917.

Mill Nets from Ground Wood, Sulphite Pulp, Paper and Cardboard		$1,841,981.63
Profits from Lumber and Miscellaneous		253,627.92
Interest from Investments		125,050.91
		$2,220,660.46
Deduct—		
Bond Interest and other charges	$115,797.15	
Reserve for Depreciation of Buildings and Plant	116,670.56	
Reserve for Business Profits War Tax to June 30th, 1917	268,181.53	
		500,649.24
Profits for the Year		$1,720,011.22

PROFIT AND LOSS ACCOUNT.

1917 June 30th—By Profits for Year		$1,720,011.22
1916 Oct. 1st—To dividend on Capital Stock	192,000.00	
1917 Jan. 2nd— " " " " "	192 000.00	
April 1st— " " " " "	240,000.00	
June 30th— " " " " " due July 3rd, 1917	240,000.00	
		864,000.00
Surplus for the Year		$ 856,011.22

BALANCE SHEET AS AT JUNE 30th, 1917.

ASSETS.

Fixed—		
Mills, Buildings, Plant and Machinery	$ 5,995,718.64	
Real Estate (Employees' Dwellings, etc.)	680,573.29	
Timber Lands	2,284,638.90	
	$ 8,960,930.83	
Current—		
Investments	$1,585,078.50	
Logs and Logging Supplies	1,559,634.21	
Mill Supplies	589,350.03	
Merchandise	267,780.57	
Accounts Receivable	686,960.90	
Cash on hand and in Banks	107,632.68	
		4,796,436.89
Insurance Premiums Unexpired		28,083.62
Deferred Charges to Operations		33,856.48
		$13,819,307.82

LIABILITIES.

Capital Stock—		
Common—		
Authorized	$10,000,000.00	
Less Unissued	400,000.00	
		$ 9,600,000.00
Bonds	$ 1,200,000.00	
Less redeemed to to date	543,557.46	
		656,442.54
Current Liabilities—		
Bank Loans	$ 44,201.54	
Accrued Bond Interest due July 3rd	36,000.00	
Common Stock Dividend due July 3rd	240,000.00	
Accrued Wages	36,369.27	
Accounts Payable	100,843.84	
Bills Payable	3,250.00	
Unpaid Dividends	955.26	
		461,619.91
Contingent Account		39,305.20
Reserves—		
Depreciation Reserve Sinking Fund)	$ 350,000.00	
General Depreciation	438,358.81	
Business Profits War Tax, 1916-17	288,330.39	
Miscellaneous	201,792.77	
		1,278,481.97
Surplus, 1916	927,446.98	
Surplus Profits for year ending June 30th, 1917	856,011.22	
		1,783,458.20
		$13,819,307.82

AUDITOR'S REPORT.

To the Shareholders,
Laurentide Company, Limited.

Dear Sirs,

I beg to report having completed the audit of the books of your Company for year ending 30th June, 1917, and Statement of Assets and Liabilities, Working and Profit and Loss Accounts herewith submitted and bearing my signature are correctly taken from the books.

The Indirect liability for Customers' Paper under discount is $97,455.51.

All information required has been furnished, and the various inventories are certified to by responsible officers of the Company.

Respectfully submitted,

(Signed) A. W. STEVENSON, F.C.A. (Can.),
Auditor.

Montreal, 13th August, 1917.

WINNIPEG SALES BOOK COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of August, 1917, incorporating Leslie McPhail Appleford, of the City of Hamilton, in the Province of Ontario, manufacturer; William Symon Morlock, James John Maclennan, Anthony L'Estrange Malone, Reginald Holland Parmenter and John Noble Black, gentlemen, of the City of Toronto, in the said Province of Ontario, for the following purposes, viz:—(a) To publish, print, bind, manufacture, issue, purchase, sell, deal in and otherwise turn to account, books, magazines, publications, newspapers, pamphlets, counter check books, bond books, account register systems and forms in connection therewith, loose leaf systems, binders, food products wrappers, plain and printed paper wrappings, paper bags, twines, shipping tags, stationery of all kinds, carbon papers, waxed and saturated papers, typewriting supplies, maps, charts, engravings, lithographs, etchings, wood-cuts, electrotype pictures and illustrations, whether covered or without cover, and by whatsoever process or processes the same may be produced, whether now existing or hereafter to be discovered or invented, and generally to carry on the business of printers, binders, lithographers, electrotypers, stereotypers, engravers, die sinkers, embossers, manufacturers and publishers, and to carry on a general advertising business as advertising contractors and agents; (b) To acquire, enter into and take over contracts of every description and to transfer, assign and otherwise dispose of any contracts or undertakings of the company in whole or in part, and to enter into, carry out, perform and sublet contracts for doing work and supplying material in connection therewith; (c) To acquire, construct, manufacture, build, maintain, hold and operate all stock-in-trade, plant, machinery, equipment and appliances necessary or convenient for the proper carrying on of any of its undertakings and for this purpose to also apply for and acquire patent rights, patents of inventions, licenses, secret processes, copyrights, trade-marks, and to use, exercise, develop and grant licenses in respect thereof or otherwise to turn the same to account; (d) To buy, sell, manufacture, repair, alter and exchange, let or hire, import, export, manipulate, prepare for market and deal in all kinds of goods, chattels, wares and merchandise which may be required for the purposes of any of the said businesses or commonly supplied or dealt in by persons in any of the said businesses or which may seem capable of being properly dealt with in connection with any of the said businesses; to acquire, purchase, hold, lease, sell, assign and convey any real estate requisite for the carrying on of the undertaking of the company; (e) To purchase, take over or acquire by original subscription or otherwise, and to hold, sell, assign, transfer or otherwise dispose of or deal in the undertakings, shares, bonds, debentures, securities or evidences of debt created by any other corporation, and while owner of such shares of stock to exercise all the rights, powers and privileges of ownership including the right to vote thereon, notwithstanding the provisions of section 44 of the Companies Act; (f) To purchase and acquire any business of a similar nature and to purchase and acquire any interest or control in any business of a similar nature to that which this company is authorized to carry on, and to pay for same in whole or in part in cash, bonds or paid-up stock of this company; (g) To aid in any manner any corporation, any of whose shares of stock, bonds or other obligations which are held or are in any manner guaranteed by this company, and to do any act or thing for the preservation, protection, improvement or enhancing of the value of any such shares of capital stock, bonds or obligations, and to do any and all acts and things tending to enhance the value of any of the property at any time held or controlled by this company; (h) To sell, lease or otherwise dispose of the undertaking and assets of the company hereby incorporated or any part thereof, for such consideration as the company may think fit, including the shares, bonds, debentures or securities of any other company having objects similar in whole or in part to those of the company hereby incorporated; to receive and accept bonds, debentures, or other securities in payment in whole or in part for work done and material supplied in connection with the business of the company, and to pay for any property purchased by the company by the issue of paid-up stock or bonds of the company or partly in stock and partly in bonds; (i) To enter into partnership or any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company, and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same; (j) To invest and deal with the moneys of the company not immediately required in such manner as from time to time may be determined; (k) To distribute among the shareholders of the company in kind any property or assets of the company and in particular any shares, debentures or securities of any other company or companies which they may have purchased or taken over, either in whole or in part, the property, assets or liabilities of this company; (l) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property, undertaking and rights of the company for such consideration as the company may think fit, and in particular and notwithstanding the provisions of section 44 of the Companies Act, for shares, debentures or securities of any other partnership, association or company having objects altogether or in part similar to those of this company; (m) Notwithstanding the provisions of section 44 of the Companies Act, to subscribe for, purchase, assume liability under, acquire, hold, sell, exchange, dispose of or otherwise deal in or contract with reference to bonds, debentures, stocks or other securities or obligations or any estate or interest therein, and to apply or to accept in whole or in part as consideration or satisfaction or the security for any contract, indebtedness of obligation to or of the company, property obligations, shares and securities of any kind at such valuation and upon such terms as may be agreed upon and to apply or to accept as security for any indebtedness of the company mortgages on lands or chattels upon such terms as may be agreed upon; (n) To amalgamate with any other company or companies having objects similar to those herein enumerated; (o) To enter into any arrangement with any government or authority, supreme, municipal, local or otherwise, that may seem conducive to the company's objects or any of them, and to obtain from any such government or authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (p) To do all and any of the matters hereby authorized either alone or in conjunction with or as factors or agents for any other companies or persons or by or through any factors, trustees or agents; (q) To carry on any other business which may seem to the company capable of being conveniently carried on in connection with the above or any portion thereof, or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (r) The objects specified in each paragraph hereto shall, except where otherwise expressed in such paragraph, be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Winnipeg Sales Book Company, Limited," with a capital stock of ten thousand dollars divided into 100 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 23rd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

Malone, Malone & Long, 85 Bay St., Toronto, Solicitors for Applicants.
other partnership, association or company

operating a transcontinental line in opposition, there will be competition of a character to interfere with earnings.

CANADA STEAMSHIPS.

Canada Steamships common was one of the securities to benefit in the upward movement during August. It sold up to a high of 48⅝ on the rise, but at the end of the present week was quoted 42-41¼, which shows little difference from the basis of 42-41¼ on the first day of last month. The preferred at 78½-78 compared with 79¼-79 on the 1st of August.

ELECTRIC RAILWAYS

Securities Little Affected in Recent Movements of the Stock Market.

Electric railway and other public utility stocks have been little affected by the market movements of the past month. From the chart printed in this issue it will be noted that while there have been some narrow fluctuations in both the Canadian and the foreign groups, the net result has been a slight decline in the foreign and a fractional improvement in the Canadian. Costs of operation, including labor, rolling stock, fuel and other materials, continue to have their unfavorable effect upon earnings statements, which would be satisfactory under normal conditions, but do not show increases in proportion to the rising expenses.

Investors in power enterprises will follow with interest the developments in connection with the Hydro Commission's projects. Unable to meet demands for power on the basis of an ordinary business undertaking, the extraordinary powers of the Legislature are being sought to prevent the exportation of power to American industries, and to have the international treaty between Canada and the United States revised. The proposed amendments to the Railway Act, which would have the effect of curtailing the rights of private companies by giving the municipalities control of their streets, are still before the Senate. There is a chance that the more mature minds of the Upper Chamber will curb the reckless legislative tendencies of the House of Commons indicated in these proposed amendments.

DULUTH-SUPERIOR.

An intimation of an increased dividend in future for the Duluth-Superior Traction Co. is contained in the action of the directors in declaring a dividend of 1 per cent. for the quarter ending Sept. 30, 1917, payable Oct. 1 to shareholders of record Sept. 15. Since 1909 the dividends have varied between 4, 4½ and 5 per cent. per annum, but on July 1, 1915, 1 per cent. only was paid for the half year and none has been declared since that time. The company's earnings showed a large increase last year, from $1,164,446 to $1,407,511, while the surplus was $177,497, compared with $1,422, or $36,422 including a dividend of $35,000. The per cent. earned on common in 1916 was 5.07, compared with 1.05 in 1915. Back in 1911 the per cent. earned was 5.73.

Following the dividend announcement there was an improvement in the position of the stock to 44, compared with last sales at 40. The company is now making the best earnings in its history, and it is felt that with any indication of an improvement in general financial and investment conditions there would be a marked improvement in the market.

TORONTO RAILWAY.

At a meeting of the directors of the Toronto Street Railway Company to be held on or about September 15th, the matter of the award of the Board of Conciliation in the difficulty between the employees and the company will be considered, and future action decided upon. The award provided an increase of seven cents per hour over the rate of wages paid the men prior to the strike, but as yet the award has not been accepted by the company. In the meantime there are slight indications that further trouble might be expected, though on the whole the men are content to await the decision of the board.

Prior to the strike the men were being paid at the rate of 26, 28 and 30 cents per hour, respectively. An increase of six cents was given the men to return to work, and in the final adjustment of the Board of Conciliation an allowance of seven cents per hour was made, which provided a scale of wages of 30, 32, 35 and 37 cents per hour for first 6 months men, 2nd 6 months men, 2nd year and 3rd year men respectively.

The proposed increase of seven cents per hour affecting about 1,800 employees, who average ten hours a day for six days a week, amounts approximately in round figures to $393,120 annually, which would have to be deducted from the gross income of the company as an additional expense of maintaining and operating. This figure will substantially decrease the net earnings of the railway, though the effect of the increased wages might be lessened to some degree by the increased gross earnings. During the year just closed the gross earnings of the company amounted to $6,029,560, an increase of $280,038 over the preceding year. The share of the City of Toronto of these gross receipts was $945,912, an increase of $46,408 over the previous year. With such a substantial increase in the gross earnings of the company, the additional operating and maintaining expenses created by the higher scale of wages might be provided for without seriously affecting the dividends of the company.

Full details of what the proposed increase will mean to the company from a financial standpoint will be presented to the meeting of the Directors and some decision will be reached in the matter.

Sales during the week have taken place at 74 to 75, showing little change, although in the previous week the price went as high as 76.

DETROIT UNITED.

The heavy increases in operating expenses of Detroit United Railway again produced a loss in net revenue for the month of July, as compared with July of last year, and the result to date this year, seven months, is that the surplus of $1,551,954 is $34,686 less than one year ago. In June the net revenue had shown a loss of $24,001, compared with June, 1916, and July falls even more below the mark, $43,738. The total revenue for the month was $1,585,524, an increase of $113,636, but the expenses of $1,197,051 showed an increase of $157,374. The surplus of $185,579 is $46,591 less than one year ago for the month.

The figures for the seven months to date are:

	7 mos. to July 31	Change
Revenue	10,314,158	+1,147,982
Expenses	7,374,911	1,134,926
Net revenue	2,939,247	+ 13,055
Int. and taxes	1,387,293	+47,742
Surplus	1,551,954	—34,686

Up to the end of June the increased surpluses of the earlier months still left the net surplus $11,904 to the good for the half year. It may be expected that the surplus for the year will run fairly steadily in the wrong direction.

BRAZILIAN.

Net earnings of the Brazilian Traction Light and Power Company of July show a decrease over the figures for the same month in 1916 of 292,000 milreis, which is the first decrease in net this year. Net earnings for the month amounted to 3,849,000 milreis, as compared with 4,141,000 milreis in 1916. Gross earnings amounted to 7,795,000 milreis, an increase of 366,000 milreis, while operating expenses were increased by 658,000 milreis. For the year to date the aggregate net amounted to 28,251,000, an increase over the corresponding period in 1916 of 1,089,000 milreis, while the aggregate gross amounted to 52,441,000, an increase of 3,833,000 milreis. The figures following give a comparison of the net earnings for the past year:

	—Milreis—		
	1916.	1915.	Inc.
July	4,030,000	3,900,000	150,000
August	3,032,000	3,807,000	175,000
September	3,703,000	3,705,000	*2,000
October	3,821,000	3,907,000	*86,000
November	3,673,000	3,440,000	233,000
December	3,803,000	3,412,000	451,000
	1917.	1916.	Inc.
January	4,002,000	2,841,000	161,000
February	3,885,000	3,519,000	366,000
March	4,151,000	3,783,000	368,000
April	4,053,000	3,840,000	213,000
May	4,289,000	4,108,000	181,000
June	4,022,000	3,930,000	92,000
July	3,849,000	4,141,000	*292,000

*Decrease.

The market for the company's stock has been fractionally weaker during the week, with a range of 39-39⅞, compared with 39 to 40 last week, and a high of 40½ during August.

BARCELONA TRACTION.

Prices for Barcelona Traction have shown little change during the week. There have been about 250 shares change hands at 10½ to 10¾, compared with a price of 10¾ for the only transaction last week, and 11 earlier in August. There has been no news regarding the company's affairs recently to indicate any marked change in conditions.

WINNIPEG ELECTRIC.

Two transactions in Winnipeg Electric this week maintained the price of 47 established last week as the result of an upward movement from the low mark of 36. The price now ruling is the best since May.

QUEBEC RAILWAY.

After being out of the trading for some days, Quebec Railway this week lost 3 points to 16, but later showed a recovery to 18. Developments in connection with the sale of the Saguenay line to the Government are still being awaited.

LIGHT AND POWER

SHAWINIGAN.

In pointing out the investment possibilities of the $15,000,000 common stock of the Shawinigan Water and Power company, J. M. Robinson and Sons state that during the last seven years the gross earnings of the company had increased about 200 per cent.; total assets 80 per cent., and capital obligations—bonds and stock—only 50 per cent. The company is a large shareholder in Civic Investment and Industrial, which carries on the business of the Montreal Light, Heat and Power company and operates the Cedar Rapids Power Company, and it also owns a large interest in the property of the Laurentide Power company. It is forecast that revenue will increase year by year through the sale of additional power along the 800 miles of transmission lines, with little or no additional expense, the logical result being larger earnings with prospect of an increase in the present dividend of 7 per cent. Attention is called to the fact that in 1912 when the dividend was only 5 per cent. the common stock sold at $153 per share and to-day it is 30 points cheaper while paying a 2 per cent. higher dividend.

NORTHERN OHIO.

The July gross earnings of the Northern Ohio Traction & Light Company show an increase over the figures for the same month in 1916 of $83,118. Operating expenses amounted to $339,141, an increase of $97,302, while the gross income amounted to $225,119, a decrease of $14,184. Net income amounted to $163,517, which after deducting preferred dividends of $24,321, left a balance of $139,195, an increase over last year's figures of $17,385. Following are comparative figures:

July	1917	1916	Change
Gross	$564,261	$401,143	+$83,118
Oper. Exp.	339,141	241,839	+ 97,302
Gross Inc.	225,119	239,303	— 14,184
Deduct	61,602	94,492	— 32,890
Net Inc.	163,517	144,810	+ 18,707
Pref. Div.	24,321	23,000	+ 1,321
Balance	139,195	121,810	+ 17,385

For the seven months the gross amounted to $3,638,014, as compared with $2,860,642 for the corresponding period in 1916, an increase of $777,372. Net income amounted to $866,680, an increase of $81,310.

LAURENTIDE.

Some interesting information regarding the development of the Laurentide Power company was furnished to shareholders of the Laurentide company at the annual meeting this week. C. R. Hosmer, vice-president, pointed out that the power company would shortly be on a dividend paying basis. The Laurentide company is now taking its full quota of 25,000 h.p. from the power company and the Shawinigan company since July 1, has been taking at the rate of 40,000 h.p. which will be increased to 50,000 h.p. next year; the latter concern is also taking some extra power. With additional consumption from new industries in Shawinigan and Three Rivers it is estimated that in the near future there will be earnings of 2, 3 or 4 per cent. on the common stock after paying bond interest. The company is selling about 65,000 h.p. and it has a unit capacity of 120,000 h.p. which can be reached when the storage dam on the St. Maurice is completed. Work on this dam is progressing satisfactorily.

OTHER STOCKS

Further Reaction Although Movement Was Moderate In Comparison With New York.

During the week there has been a further reaction in the Canadian stock trading, with a continuance of price contraction of a moderate character and a falling off in volume of business. On the whole the market now appears to have lost practically all of the gains recorded during August, and in a number of cases the price levels are lower than when that movement set in. A chart printed in this issue indicates that the strength was largely in the munitions stocks and that other securities secured little benefit, and that little has been lost. The readjustment in the Canadian market has been coincident with the break in the United States, but the declines have not been anything like the proportions of those recorded on Wall Street, where the losses were the greatest since the big peace slump of the latter part of 1916. American stocks appeared to be influenced by what has been termed "accumulated uncertainty" and apprehension as regards the price-fixing and profit-taxing programs of the government, coupled with reports of extensions of government control of public services; in addition there was the unfavorable news from Russia to influence sentiment. In Canada there is little uneasiness at present as to price fixing or profit-taxing, many adjustments having been made in this direction, but there is some apprehension as regards our ability to continue to finance export business on a large scale. The American market also provides an influence as industrial conditions in the States are sure to be reflected to a greater or less extent in this country.

CANADA BREAD.

With the bakers, as with the millers, the decision of the Board of Grain Supervisors as to a price for the 1917 wheat crop is being awaited with a great deal of interest. The trend of the wheat market indicates that it is anticipated by traders that the basis of this price will be to conform with that which has been set in the United States. So far as the flour and bread markets are concerned the opinion of those in the trade is that on the whole profits should not be much affected. The establishment of a basis of value will permit of a fair margin of profit without the speculative element provided by the fluctuations which since the outbreak of the war have been unusually wide owing to the abnormal and unsettled conditions prevailing. Mark Bredin, of the Canada Bread Company, does not anticipate that the concern's earnings will be much affected, nor does he anticipate that there will be any material reduction in the price of bread. The market for the company's securities appears to be somewhat easier in tone, although there have been no sales. The common is 10 bid against offers at 15 and last sales at the latter figure, while for the preferred 80 is offered against 85 asked, the latter price also being on a par with last sales.

CANADA CEMENT.

Although Canada Cement is to some extent influenced by the conditions affecting the munitions industry, the price record of the common stock during August has been comparatively steady. The rise recorded with the up movement was a small one and likewise the decline was also small. September sales, at 60 to 61¼, show a decline of slightly better than a point compared with prices during the early days of August, but are about on a par with the average of July; in August the best showing was fractionally above 63. It is evident from these figures that the company's earnings are largely influenced by the business being done in normal products—a business which is getting to be on a very sound basis with the increasing use of cement in preference to timber and metal. The preferred sold this week at 90, showing no change from last week.

CANADIAN GENERAL ELECTRIC.

Canadian General Electric common is one of the stocks which improved with the August movement and when the general decline set in during the latter part of the month not only held its own but registered further substantial increases. August opened with a price of 103 which increased to 105 by the end of the month and the latter figure still prevails. There has been no trading in the preferred for some months.

CITY DAIRY.

City Dairy continues to show moderate improvement in its affairs. Statements to THE FINANCIAL POST are to the effect that the returns for the current year should show a comparatively satisfactory state of affairs. However, even though the corner has been turned it cannot be expected that improvement will be rapid with such abnormal conditions prevailing in the market for milk and other dairy products. Those interested feel that shareholders will have no reason to complain if they keep their holdings and hope for a return to more normal conditions. However, a conservative policy is likely to be followed as regards dividends and their resumption is not likely to be favorably considered until finances are in such shape that the continuance of the distribution is for a reasonable period.

It is announced that the company is erecting a building at Listowel to look after local business. Two thousand pounds of milk daily are being shipped from that point.

Market quotations continue 30 bid for the common and 60 bid for the preferred with no offerings.

DOMINION CANNERS.

Little effect has been noticed as a result of the restrictions on the sale of canned goods. There has been no activity noted in the stock of Dominion canners, but as that condition prevailed for some time prior to the embargo it has no particular significance. As a matter of fact the bulk of the goods on which restrictions have been imposed have not yet been canned, and until they are actually ready to ship there will be no concrete indication of just to what extent the embargo will affect the company. R. L. Innis when seen a short time ago stated that the bearing of the embargo on the company's business was entirely dependent on the attitude of the wholesalers. The embargo meant little from any other standpoint, because they had carried over no surplus from the previous year, and consequently their sales were dependent on the current pack. Practically none of the forbidden lines had as yet been packed. In any event they did not fear any difficulty, as their present orders were sufficient to take care of all so that the curtailment of selling time did not cause them any uneasiness.

The factor that offered possibilities of complication, was the matter of the handling of the goods when packed. If the retailer refused to receive his supply, until he was permitted to sell, and the wholesaler as a result refused to stock ahead, then the canning factories would be compelled to warehouse these goods without having any facilities for this purpose. This would present a serious situation. It was not known, however, that this would be the case. It was quite probable that the wholesalers would handle the goods as usual. In any event there was no way of deciding this matter definitely until such time as the goods were ready to ship.

There has been no sale in the stock of the company for some time past the last sale in the common was at 22 and at 75 for the preferred.

INTERNATIONAL PETROLEUM.

International Petroleum was somewhat weaker this week at $12.00. This compared with $12.50 a week ago and a high of $13.63 during August. There has been no particular news regarding the company's affairs recently.

LYALL CONSTRUCTION.

The tumble of the stock of P. Lyall & Sons, Construction Co., this week, 14 points in two days, is attributed on the Street to the continued talk of munitions orders falling off and the detailed announcements from various firms of the letting out of men. In the case of the Lyall plant, THE FINANCIAL POST was informed that about 2,500 men are employed in turning out shells, and, so far, no definite word has been received that the orders now on hand will be the last. However the Street interprets this to be the case, and inquiry fails to reveal any new source of earning power for this company as a substitute. While there are the Ontario National Brick Company and the Wallace Sandstone Quarry as subsidiary companies, these naturally at the present time are very quiet, and there is no indication that the construction end of the company's business will improve in the near future. The biggest job, the Union Station in Toronto, running between $4,000,000 to $5,000,000 when completed, is proceeding slowly as intended, with only about 200 men engaged regularly.

The present drop in the stock and uncertainty as to the maintenance of the munitions branch of the company's plant is likely to check for the present at least, the movement that developed some six weeks ago for the declaration of a dividend.

RUSSELL MOTOR.

The annual meeting of the Russell Motor Car Co. will take place on the 25th or 26th of October and it is expected that the statement for the year ending July 31 will be available before that date. Dividend action, it is believed, is contingent on developments with respect to new contracts. So far as can be learned there is still much uncertainty in this direction. Efforts are being made to secure new business which will ensure the continuance of operations but it is understood that no contracts have been closed as yet. Presumably, if these are obtained, the company will use all its available capital in handling them, postponing any dividend distribution to a later date when the demands will be less heavy on its resources.

Russell shareholders, though not directly interested in the progress of the American Willys-Overland Co., may yet take some satisfaction out of the splendid record of that company. For the six months, ended June 30, profits just topped $6,000,000, which, after allowing for proportionate dividend requirements on the $15,000,000 preferred stock, is equal to 14.72 per cent. on the common stock outstanding or $3.68 a share, per value $25. This record of prosperity will be shared by the Canadian Willys-Overland Co., in which the Russell Motor Car Co., are large shareholders. Both companies, it may be noted, are building aeroplane motors.

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High	Low
Maple Leaf, pref.	92	92
Mackay	81¼	79½
Do., pref.	64	64
Steel of Canada	56	56
Monarch Knit.	35	35
Standard Chem., pref.	55	55
Gen. Electric	105	104¾
Steamships	42	41¼
Do., pref.	78½	77⅝
Dom. Steel	62½	62
Coniagas	3.90	3.90
Locomotive, pref.	86	86
War Loan (1931)	96⅝	96⅝
Do. (1937)	95¼	95¼
Do. (1925)	97½	97½
Duluth	44	44
Brazilian	39¼	39¼
Bell Telephone	137	137
Barcelona	10½	10½
Royal Bank	210	210

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TORONTO, CANADA

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Sept. 7, in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings %	Dividends 1912	1913	1914	1915	Last Dividend Date 1917	Rate	Yield to Aug. 30	BANKS	Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 to Aug. 30 High	Date	Low	Date	Close Sept 7 1916 Ask	Bid	Close Sept. 7 Ask	Bid	Week ending Sept. 6 High	Low	Last	Sales
4,866,666	3,017,333	198,175	7 97	8+1	8	8	8	8th Apr.	s. 3	5.35	British North America	150	145	145	145	112	110	112	Jan. 29										
15,000,000	13,500,000	461,892	15 70	10+1	10+2	10+2	10+2	1st Sept.	q. 2½	5.46	Commerce	218	199⅛	205	203	203	183	188	Feb. 27	183	Apr. 5	187¼	187	184	183	184	183⅛	184	226
6,000,000	7,000,000	344,439	14 05	12+2	12+2	12+2	12	2nd July	q. 3	5.79	Dominion	233	218	229½	227	220	204	212⅛	Jan. 9	203	June 28	220	215						
3,000,000	3,300,000	175,821	14 14	11	12	12	12	1st Sept.	q. 3	6.28	Hamilton	207	198	208	201	197	246¾	192	Mar. 17	189	May 23	197							
4,000,000	3,700,000	40,622	13 25	9	9	9	5	1st Sept.	q. 2¼	6.31	Hochelaga	155	149	150	149	149	145	145	Jan. 9	142½	Aug. 15								
7,000,000	7,000,000	1,089,656	14 73	12	12	12	12	1st Aug.	q. 3	6.18	Imperial	218	210	214	210	203	180	200½	Jan. 11	190	June 14	205	202		194	194	191	194	6
1,946,373	300,000	42,791	8 44	6¾	7	7	5	1st June	q. 1¼	4.42	Home Bank	116	110																
7,000,000	7,000,000	250,984	13 68	10	10	10	10	1st Aug.	q. 2½	5.95	Merchants	193	177	180	180	180	150	170	Jan. 3	167	July 25			170		169	169	169	3
4,000,000	4,800,000	61,300	13 09	11	11	11	11	15th July	q. 2¾	5.94	Molsons	205	194	202	200	195	182	186	May 19	179½	Jan 24	194		182		183	183	183	17
16,000,000	16,000,000	1,321,193	13 17	10+2	10+2	10+2	10+2	1st Sept.	q. 2½	4.67	Montreal	250	227½	240	234	240⅛	219	234	Jan. 11	214	Aug. 28			214½		214½	214½	214½	3
2,000,000	1,900,000	54,843	16 66	7	9	8	8	1st Aug.	q. 2	5.36	Nationale	133¾	131	132¾	132¾	134	134	149	July 31										
6,500,000	12,000,000	396,115	18 07	14	14	14	14	3rd July	q. 3½	5.13	Nova Scotia	265	257	265	261	261	254	257½	Mar. 9	252	June 21	261	258						
4,000,000	4,750,000	246,304	13 28	11¾	12	12	12	18th Sept.	q. 3	6.00	Ottawa	208	201	207	207	204	202	202	Mar. 8	200	Feb. 23	204							
2,735,000	1,000,000	11,795	8 54	7	7	7	7	1st June	q. 1¾		Quebec	122	118	120	119	119	96												
11,560,000	12,560,000	676,472	15 57	12	12	12	12	1st Sept.	q. 3	5.68	Royal	228	218	223	221¼	221¼	210	214	Feb. 13	210	July 20		212	212	210	210½	210	210½	24
3,000,000	4,000,000	651,646	18 78	163	13	13	13	1st Aug.	q. 3¼	6.31	Standard	223½	208½	220	215	221	211½	215	Jan. 2	203	July 25		221		203	204	203	203	7
1,198,801	3,000,000	52,184	12 20		6	6	6	15th Aug.	q. 1½	6.12	Sterling	98½	98																
5,000,000	6,000,000	439,378	13 02	11+1	11+1	11+1	11	1st Sept.	q. 2¾	5.85	Toronto	215	203	211	207	215½	190	213	Jan. 30	188	July 31		198		187½	187½	177½	157½	1
5,000,000	3,400,000	106,972	13 19	8	8	8+1	8+1	1st Sept.	q. 2	5.65	Union	147½	137	140½	140	140	132	142	July 30	136	Mar. 29		131	141	139	140	139	139¾	30

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	191	1915	1916		Last Dividend Date	Rate	Yield	TRANSPORTATION	1914 High	Low	1915 High	Low	1916 High	Low	1917 High	Date	Low	Date	Close 1916 Ask	Bid	Close Sept. 7 Ask	Bid	Week High	Low	Last	Sales
207,450,000	10,000,000										Barcelona, T. L. and P.	35⅛	15½	17⅞	7⅜	17	19	17	Jan. 4	10½	June 18	15⅛	14½	10⅞	10½	10¾	10⅛	10⅝	175
16,217,500	10,000,000		3,822,410	6	6	4	2	1st Sept.	q. 1	9.09	Brazilian Traction L. and P.	92	53½	59¾	45	62⅝	43	47¾	Jan. 2	37	Apr. 20	58	57½	39⅜	39¾	39⅞	39	39⅜	1,249
				3	6	6	3	1st Apr.	q. 1½		Brazilian Traction, Pref.																		
12,000,000		9,766,740	108,080								Canada Steamships Lines, Com.			20	6	45	16	45⅝	Aug. 22	29¾	Feb. 3	32	31⅝	42½	42	43	41	42	1,861
	12,500,000				3½	6	3½	16th Aug.	q. 1¾	8.86	" " " Pref			76½	59	95½	89¾	93½	Jan. 29	76¾	June 12	88½	87¼	78	78	79	78	78⅛	584
260,000,000	80,681,921	234,684,062	208,492,641	7+3	7+3	10	7½	1st July	q. 2½	6.21	Canadian Pacific Railway	219⅝	171½	195½	139¾	182½	163¾	167⅛	July 9	149	Feb. 8	178½	177⅞	157	156	159½	155	155	54
								15th Aug.	q. 1	5.40	Civic Investment					83¾	79	82¾	Jan. 26	73⅞	June 29			75	74	74½	73⅞	74	1,437
12,500,000		33,485,135	7,767,986	6	6	6	3¼	1st Sept.	q. 1¾	6.54	Detroit United	73¾	55	73	62	128½	69	128	Jan. 3	106½	July 9	116¼	116	107	105	107	106	107	1,437
3,500,000	1,500,000	3,260,000	339,156	4½	4	2	p	1st July '15	s. 1	8 66	Duluth Superior Traction Co., Com.	67	55	60	55	49	37	51⅛	Mar. 7	40	Aug. 24	47	45½		41	44	40	44	30
1,400,000		600,000	921,736	8	8	8	6	2nd July	q. 2	5.00	Halifax Electric, pref.	*160	*160			160	160												
12,251,400	7,135,500	810,000	1,700,607	2¼	3	3	1½	15th Aug.	q. ¾		Illinois Traction, Com.																		
				6	6	6	4½	2nd July	q. 1½	7.14	Illinois Traction, Preferred	95	95	93	91	91	87¾	89	Feb. 22	83	May 21	90							
25,000,000											Mexico North Western Railway																		
20,000,000		16,381,333		7				1st Nov.'13	q. 1¾		Mexico Tramways Co.																		
25,206,000	12,603,400	[illegible],450	14,750,595	7	7	7	3½	15th Apr.	s. 3½	5.73	Minn., St. P. and S.S.M., com	134¾	116½	126¾	116½														
2,963,970		32,771,487	1,264,166	10	10	10	5	1st Aug.	q. 2½	6 94	Montreal Tramways	230	190	220	220			181	Jan. 5	175	Feb. 19								
9,000,000	3,481,600	12,022,000	1,704,720	5	5	5	2½	15th June	q. 1¼	6.84	Northern Ohio Traction			73	73														
3,000,000	1,000,000	4,017,667	49,922	4	3			1st July '14	p. 1	10.53	Porto Rico Railways Co., Com.	71	45	51	45	49½	30	42	Jan. 27	35	Jan. 3		44						
				7	7	7	5¾	3rd July	q. 1¾	8.75	" " " " Pref.	103½	101			30						100	90						
9,999,500		10,797,000	347,499					15th Jan.'12	q. 1 p	8.0	Quebec Railway L., Heat & P. Co.	16¾	10	20⅛	9⅛	45	14	35½	Jan. 2	16⅛	July 20	33⅛	32¾	18	16	18	16	19	86
966,400			393,791	8	8	10+2		1st Jan.	a. 8		St. Law. & Chi Steam Nav. Co.	116	*99	130	100														
12,000,000		3,482,067	5,841,738	8	8	8	6	3rd July	q. 2	10.74	Toronto Railway	144¾	110	117½	111	111	72	90½	Mar. 12	73	July 1	93½	92⅛	75	73	76	74	74¾	41
9,000,000	3,000,000	12,305,000	535,055	6	6	6	3	1st July	q. 1½	6 74	Tri-City, preferred			89	89														
22,000,000	3,000,000	20,263,000	6,919,635	6	6	6	4½	2nd July	q. 1½	7.05	Twin City, common	108½	99¾	101	93	101	93⅜	95	Jan. 3	84	July 3	98½	97⅞	85	84	85	85	85	19
9,000,000		12,021,196	2,.018288	12	12	12	10½	1st Jan.	q. 2	16.00	Winnipeg Electric	210½	188	186½	180	110	90	81	Jan. 12	36	Aug. 10			50	45	47	47	47	15

TELEGRAPH, LIGHT AND POWER UTILITIES

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	191	1915	1916		Last Dividend Date	Rate	Yield	TELEGRAPH, LIGHT AND POWER	1914 High	Low	1915 High	Low	1916 High	Low	1917 High	Date	Low	Date	Close 1916 Ask	Bid	Close Sept. 7 Ask	Bid	Week High	Low	Last	Sales
18,000,000		11,149,000	1,249,135	8	8	8	6	15th July	q. 2	5.83	Bell Telephone	159¼	140¼	159	140	152	140	150	Feb. 5	136⅜	July 30				136¼	137	137	137	48
4,882,000			3,234,018	10	10	10	5	2nd July	q. 2½	6.66	Consumers Gas	180	169	185	176	176	160	165½	May 10	150	July 9	169		150½		150	150	150	25
1,850,000		2,999,813	271,975								Calgary Power	59	53																
41,380,400			1,355,899	5	5	5	3¼	2nd July	q. 1½	7.45	Mackay, common	88	75	84¼	71	87	78	90	Feb. 17	80	Aug. 20	86	85⅛	81½	81	81¾	81¾	81¼	97
	50,000,000			4	4	4	3	2nd July	q. 1	6.20	" preferred	71	65½	70¼	65	69¾	64½	68	Jan. 16	63⅞	Aug. 2	68	67						
13,585,000		21,073,833	318,522	4	p	p	p	15th Jan '14	q. 1		Mexican Light and Power Co., com.	49⅞	32½	46	46	15	15												
	6,000,000			7	p	p	p	1st Nov. '13	s. 3½		" " " " pref.																		
18,778,266		10,152,000	5,742,273	9½	10	10	8	15th Aug.	q. 2½	4.73	Montreal Power	230	211	241¾	211	249¾	218												
3,483,520		1,275,000	765,296	10	8	6½	4½	2nd July	q. 1½	7 77	Ottawa, Light, Heat and Power Co.	172	124	123	120	95¾	92	92	Jan. 17	75	Aug. 8	95							
13,612,500		10,012,762	2,5[illegible]28	6	6	6	7¼	10th July	q. 1¾	5.88	Shawinigan Water and Power Co.	142¾	111	139½	110	137	126¾	130½	Jan. 2	119	July 19	132	131		119½	119¼	119¼	119½	75

INDUSTRIALS AND MISCELLANEOUS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	191	1915	1916		Last Dividend Date	Rate	Yield	INDUSTRIALS AND MISCELLANEOUS	1914 High	Low	1915 High	Low	1916 High	Low	1917 High	Date	Low	Date	Close 1916 Ask	Bid	Close Sept. 7 Ask	Bid	Week High	Low	Last	Sales
3,5[illegible],000		960,000	203,236								Ames Holden McCready Co., com.	16	6	23	7⅞	35	19½	23¾	Jan. 3	14	Aug. 9	23	21						
	2,500,000			7	5¼			1st July '14	q. 1¾	13.72	" " " pref.	70¼	54	75	55	80½	52	61	Jan. 9	48	Mar. 1	63							
1,[illegible]88,900			1,591,599	7	7	7	3½	21st May	s. 3½	8.75	British Col. Packers, com.							44	July 24										
	357,500			7	7	7	2	21st May	s. 2	6.19	" " " pref.	143½	111	124	105	147½	58												
750,000			336,266	6	5⅛	4	2	2nd July	q. 1	4.54	F. N. Burt Company, com.	88	67	72½	70	88	72	85	Feb. 23	75	Aug. 2	80	79	88		88	88	88	54
	1,975,200			7	7	7	3½	2nd July	q. 1¾	7.89	" " " pref.	100	89	75	89	96	86	93½	Mar. 5	88¼	July 10		95⅛						
2,500,000	1,250,000	1,209,300	234,164								Canada Bread, com.	33	18½	31⅛	29	30	16½	17	Feb. 6	15	May 19	20							
				7	7	7	5¾	2nd July	q. 1¾	8.23	" " pref.	92	89½	90¾	90	90	87	86½	Jan. 5	85	Mar. 5	87⅞	86						
1,177,500	602,450	301,750	151,553								Carriage Factories, com.													22	21⅛	22	21⅛	21½	255
13,500,000		7,448,680	2,675,233					16th May	q. 1¾	11.47	Canada Cement, com.	32	28	48½	28	73	37¾	69⅞	Jan. 4	56	Feb. 1	62	61½	61	60	61¼	60	60⅞	500
	10,500,000			7	7	7	3½	16th May	q. 3	13.04	" " pref.	93	98½	98½	89¾	9	86	95¾	Jan. 6	90	Feb. 3	96½	92½	92	90	90	90	90	54
3,975,000		9,072,698	1,573,798	4	2			2nd June '14	s. 2d	13 33	Canadian Car and Foundry, com.	70	48	120	50	75	32	46½	Jan. 4	25¼	Jan. 19	45	43	31	29	29¾	29⅞	29⅞	25
	7,000,000			7	5¼			1st Apr. '16	q. 1¾	10.29	" " " pref.	109½	98	127	98	94	1¾	89	Jan. 3	59	Jan. 19	72	69	70	65	66	65	65	215
1,733,500		399,000	202,290	4	4	1	1	15th Aug.	q. ½	5.00	Canadian Converters	40	34	34	34	46	34	43	July 13	39	Feb. 21								
2,715,500		4,811,000	1,437,926	6	6	6		4th July	q. 1	8.00	Canadian Cottons, Limited com.	39	24	40	24	65	39	56	Jan. 3	50	Aug. 23								
	3,661,500						14½	4th July	q. 1½	8.00	Canadian Cottons, Limited, pref.	79	70⅛	77	71	82½	75⅛	82	Jan. 1	75⅛	Aug. 29	80			75	75	75	75	4
1,600,000	1,500,000		697,836	6	6	6	3	15th Dec.	s. 3		Canadian Fairbanks-Morse, pref.	92	92	95	95														
960,000		151,900	895,316			10	12	15th Aug.	q. 3	7.05	Canadian Foundries & Forgings, co					217	170	205	Jan. 4	150	Mar. 28								
	960,000			7		7+3½	7	15th Aug.	q. 1¾		" " " pref					90	85	94	May 28										
2,000,000	1,500,000	1,545,000	142,807								Canadian Locomotive Co., com.	45	30	64⅛	30	64⅛	51	64	Apr. 12	52⅛	Feb. 3	59	58	60	58	60	58	58	60
				7	7	7	5¾	1st July	q. 1¾	7.86	" " pref.	*90½	85	90	78	99	81	91½	Apr. 11	84	Feb. 8								
2,805,500		5,097,000	2,862,397	4	4			15th Oct. '14	q. 1	4.44	Can. Consolidated Rubber, com.	91	91	91	91	91	84	97½	Jan. 30	90	Mar. 22								
	3,000,000			7	8¾	7	5¾	30th June	q. 1¾	7.25	" " pref.	*97	96⅛	101	100	97	91	97	July 3	95	Mar. 22	97							
8,000,000		1,367,751	3,707,119	7	7	7	5¾	2nd July	q. 1¾	6.66	Canadian General Electric, com.	114⅞	90⅛	128	90½	121	108	115½	Jan. 24	100¾	July 6	118	117½	105⅛	104⅛	105	104	105	305
	2,000,000			7+1	7	7	3½	1st Apr.	s. 3½	6 66	" " pref.			110⅛	110	112	110	106	Feb. 1	94½	Jan. 31								
1,200,000		500,000	353,391								Carriage Factories, Limited, com.			53⅛	35⅛	44	29¾	25	Jan. 13	9⅞	June 18								
	1,200,000					½		15th July '15	q. 1¾	10.00	" " pref.			81	75	75	60												
565,000		65,918	96,839	7	8	8	6	3rd July	q. 2	7.09	City Dairy, com.	102	98	100	98	98	89	30	Mar. 30										
	700,000			7	7	7	5¾	3rd July	q. 1¾	11.66	" pref.	101¾	98	102	98	100½	92	70	Apr 3			100	98						
6,500,000			749,100	8	7¾	5¾+3	4	15th Aug.	q. 2	5.51	Dominion Bridge Co.	122½	107	230	107	231½	160	170	Jan. 4	125	June 23	228¼	228	145		145	140	140	10
752,200		1,878,000	180,813	6	3	1p	p	1st Apr. '14	q. 1½		Dominion Canners, com.	68⅝	27⅛	35	31	22	15	26	Mar. 6	19	Jan. 3								
	2,290,600			7	7	7	1¾p	1st Apr. '15	q. 1¾	9.33	" " pref.	96	80			65	61½	78	Feb. 7	65	Feb. 3								
32,097,700	7,000,000	25,669,076	6,784,844	4	1	p	p	2nd July	q. 1	6.45	Dominion Steel Corporation, com.	41⅞	19⅞	51	19⅞	82	43	71¼	Jan 4	52¾	Feb. 3	57¼	57	62¾	62⅜	63¾	61	62¾	7,434
	5,000,000	14,286,106		7	3½p	p	7	1st Apr.	q. 3½		Dominion Iron and Steel, pref.	*94	68	96	71	105	90	95	Jan. 3	89	May 28				91	92	91	92	15
15,000,000	3,000,000	6,482,500		7	7	7	3½	1st Feb.	s. 3½	10.84	Dominion Coal, pref.	106	97⅛	101	98	99	93	96⅛	Jan. 22	85	July 6								
5,000,000		3,697,775	881,926	6	6	6	4½	3rd July	q. 1½	7.18	Dominion Textile, com.	86⅝	60	77	64	90⅛	74⅛	89	May 25	76½	Feb. 3	84	82	85	82½	84	83⅛	83⅛	73
	25,975			7	7	7	5¾	16th July	q. 1¾	6.93	" pref.	106⅛	100	103	101	105	101	105	Apr. 26	99⅛	July 5								
1,750,500		1,200,000	331,136								Goodwins, Limited, com.	28	*23	28	26	40	40												
	1,250,000			7	7	5¼d		25th July '14	q. 1¾		" pref.	*82	74			75	40	45	Mar. 20										
747,500		285,000	799,367	6	6	6	3	1st July	q. 1½	6.00	Goulds Manufacturing Co., com.	97¾	97¾					100	Apr. 19										
	747,500			7	7	7	6	1st July	q. 1¾		" " pref.																		
40,000,000		8,643,000	25,072								Lake Superior Corporation	22⅝	6⅝	9⅞	9⅞														
2,100,000		900,000	935,994	10	8	8	4	1st Sept.	q. 3	6.40	Lake of Woods Milling Co., com.	135	127	137	129	136¼	122	130	Jan. 2	124	Apr. 13				123	124	124	124	5
	1,500,000			7	7	7	3½	1st Sept.	q. 1¾	6 03	" " pref.	120	120	122	120	129	116	116	Jan. 31										
9,600,000		753,807	701,624	8	8	8	6	3rd July	q. 2½	5.84	Laurentide	192¾	160	198	160	217⅛	176	195	Jan. 5	170	June 29	188¼	188		170	170	170	170	10
1,750,000		1,130,500	82,830								Lyall Construction Co., com.					93	25	80	Mar. 21	64	Jan. 25			58		60	53	57	262
	1,300,000										" " pref.																		
3,000,000	1,766,800	200,000	247,710								A. Macdonald Co. com.	21¾	8	14	7	19⅛	10	15⅛	Mar. 12	8	Jan. 5	15	12	14	13	15	13⅛	13½	230
2,500,000		1,034					6	18th July	q. 2½	8.91	Maple Leaf Milling, com.	47⅞	25	68	30½	122	100	115	Mar. 21	90	Feb. 3	90	87	100	98	101	99	100	120
	2,500,000			7	7	7	5¾	18th July	q. 1¾	7.60	" " pref.	101	98	98	88	108	93	103	Feb. 10	91¾	Aug. 23	94	93	94	92	92	92	92	4
2,949,600		856,664	2,170,170	4	4	4	2	15th June	q. 1	7.69	Montreal Cottons, Ltd., com.	58	56	56	51	63	50	58½	Jan. 4	49	June 11				51	51	51	51	5
	3,000,000			7	7	7	3½	15th June	q. 1¾	7 00	" " pref.	103	97¼	100⅛	99	115	99	103	Jan. 24	99	July 25	103			100	100	100	100	2
1,275,000			194,889	6				1st Nov.'13	q. 1½	15.00	Monarch Knitting Co., com.	40	25	27	25	40	25⅛	40	Jan. 2	35	Jan. 3		32						
	750,000			7	7	7	3½	1st Aug.	q. 1¾	8.75	" pref.	90	82	82	82	83	80	81	Jan. 10	80	Jan. 2	82	80						
6,000,000		9,833,309	2,110,609	6	4½			15th July '14	q. 1½	6.03	Nova Scotia Steel, com.	79	39	107	45¾	154⅛	93¾	128	Jan. 4	88	Apr. 25	128	127	99	95	99½	94	95	974
	1,030,000			8	6	12	2	14th July	q. 2 p	7.27	" " pref.	120	110	125	110	115	110	112	Jan. 4	105	June 25	111			110	110	110	110	20
2,500,000		2,350,000	512,061	8	8	8	6	2nd July	q. 2	5.51	Ogilvie Flour, com.	123	107	144	107	152	127⅞	150	July 24	137	Feb 27	146½	145½	148	144	148	145	148	75
	2,000,000			7	7	7	3½	1st Sept.	q. 1¾	6.25	" pref.	117	105	120	113	116	44⅛	115	Jan. 19	110	Aug. 3				112¼	112¼	112¼	112¼	1
750,000		600,000	78,039								Ont. Steel Products, com.					45	19	34	Jan. 4	18	Mar. 16								
	750,000					3	7	15th Aug.	q. 1¾	9.09	" " pref.					91⅛	73	74	Apr. 14										
650,000			42,472	2	2	2	2	2nd July	s. 1	5.13	Pacific-Burt Co. com.	32	*28	31	28	29	20	40	Mar. 20	28	Jan. 9	22	20						
	650,000			7	7	7	2½	2nd July	q. 1¾	8.75	" pref.	85	82½	85	80	83¼	77⅛	82	June 8	80	Jan. 3	80							
2,150,600		2,000,000	1,719,899	4	4	4	2	15th Aug.	q. 1	5.67	Penmans, Limited, com.	55⅛	48	62	49	78	60	73½	Mar. 26	69	May 3	64	62½	70		70	70	70	16
	1,075,000			6	6	6	3	1st Aug.	q. 1½	7.27	" " pref.	84¼	79⅛	83	82	90	82	86	Apr. 10	81½	Jan. 3		91		83	84	84	84	5
5,000,000		5,804,862	2,100,240								Price Bros.	60	70			132	60⅛	134	July 25	115	Mar. 30	90	85						
4,500,000	1,000,000	1,533,000	375,634	7	7	7	3½	30th June	q. 1¾	5.93	Riordan Pulp and Paper, com.					150	59	127	Jan. 3	106	Feb. 3	69½	67⅞	118	114½	118	118	118	100
1,500,000			688,499	12	12	8	6	2nd July	q. 1½	9.23	William A. Rogers, Ltd., com.	147	96	103	96	99	85	80	Feb. 15	65	Apr. 19	91							
	900,000			7	7	7	7	2nd July	q. 1¾	7.7	" " " pref.	106	99	99	99	99	87	92	Jan. 4	90	Feb. 14	94	90						
800,000		Def.	703,364	1¾				1st Feb.'13	q. 1¾	10.00	Russell Motor Car, com.	20	5	50	10	114	32	92	Jan. 4	70	Feb. 3		57⅛	70		70	70	70	15
	1,200,000			5¾				1st Aug.'13	q. 1¾	6.30	" " pref.	49	25	76	25	139	66	122	Apr. 3	100	Jan. 1	93	92						
1,500,000		691,200	39,245								Sawyer-Massey Co., com.	30	25	33	25	30	20	24	Mar. 16	8	May 21	20	18						
	1,500,000			7	3½			2nd June '14	q. 1¾	7.78	" " pref.	88	69	76	69	134½	58												
4,000,000		1,950,000	1,080,988								Sherwin-Williams, com.	60¼	53	57½	55	99⅛	53⅛	59¾	Mar. 9	56	Feb. 5	72	65						
0	3,000,000			7	7	7	3½	30th June	q. 1¾	7.14	" pref.	104	97	100	98¾	100	97½	100	Jan. 6	98	Jan. 11	99							
8,750,000			450,597	6	6	6	4½	1st, Sept.	q. 1½	4.58	Shredded Wheat, com.	90¼	.78	102	92	140⅛	102¼	137¾	Mar. 1	130	June 1		134	122		122	122	122	25
	1,250,000			6	6	6	4½	1st July	q. 1½	6 25	" " pref.	*94	*92½	99	93	120	95	95	Feb. 19	95	Feb. 19		98¾						
1,718,600			417,716	5	2½p			2nd July	q. 1¼	10.00	Smart-Woods, Ltd., com.	20	18	15	20	65	33	55	Jan. 12	44	Aug. 6	41			49	49	49	49	10
	1,547,000			7	5¾p		5¼	2nd July	q. 1¾	8.75	" " pref.			45	20	101	84	80	May 9			90							
8,000,000		5,332,113	226,860								Spanish River Pulp Mills, com.	16¾	9	9⅝	3	24⅛	3½	19	Jan. 4	12⅛	Aug. 8	11⅛	11	17	15	15	15	15	225
	5,699,100			3½P				15th July '13	q. 1¾	13.46	" " " pref.	*51	31	35	35	70	29	59¾	Jan. 11	47	Aug. 15	37	35						
11,500,000		10,050,000	4,272,453					1st Aug.	q. 1x½		Steel Co. of Canada, com.	20	11	48	8⅛	88⅛	34¼	71½	Jan. 4	52	Feb. 3	61⅛	61	56½	56⅛	57¾	55¼	56¾	2,225
	6,496,300			7	3½p	7	5¼	1st Aug.	q. 1¾	7.71	" " pref.	87⅞	69	95	69	107¼	82½	100½	Jan. 2	89¼	July 12	89	88½	90¼	89¼	91	91	91	12
650,000											Tooke Bros., com.	26	15	18	16	25	16												
	985,000		71,518	7	7	3½	1¾p	31st Aug.	q. 1¾	10.00	" " pref.	81	75			83	78	79	Jan. 4	70	Aug. 28								
750,000		500,000	120,673	1.88	6¾	1½p		2nd July	s. 2	5.26	Toronto Paper Co.	61	30	45	25	96	44	90	May 17	72	Jan. 16	55	50						
2,500,000			218,962								Tuckett Tobacco, com.	47	29	29¼	29	25	23½	22½	Jan. 18	19	June 1		23						
	2,000,000			7	7	7	5¼	14th July	q. 1¾	8.75	" " pref.	101	90¼	90	90	90	75	83½	Jan. 18	78	Apr. 30		86¾						
5,000,000		3,500,000	691,225								Wayagamack com.	32⅜	21	26½	26			95	Jan. 11	50	Aug. 30			55	54⅛	51⅞	50	51⅞	135

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bonds, Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1915 High	Low	Range for year 1916 High	Low	Latest Price Ask	Bid	Last Sale
1,205,000	4,122,853	1,244,392	9	1st Jan.	q. 2¼	Canada Landed	162	157½	163	157½		159	159½
6,000,000	20,905,085	5,19[illegible],652	10	15th Mar.	q. 2½	Canada Permanent	188	183	183	168⅝		167½	167½
1,750,000	6,225,008	1,773,242	10	15th Mar.	q. 2½	Central Canada	190	190			190		
2,452,867	725,667	403,966	6	31st Dec.	s. 3	Col. Investment, pref.	81	78	76	70		75	77
934,395	1,062,481	240,929	5	2nd July '15	s. 2½	Dominion Savings	81	81	80	80		81	73
2,410,925	2,458,069	685,002	8	2nd July '15	s. 4½	Great West Per.							89½
1,200,000	2,598,876	1,014,033	8	31st Dec.	s. 4	Hamilton Provident	140½	135	140	138		141	141
2,458,414	11,516,497	2,510,662	12	31st Dec.	q. 3	Huron and Erie	211	209	14	209		209	208½
978,500	1,914,623	728,163	8	31st Dec.	s. 4	Landed Banking	147	147	45	144		145	147
1,250,000	3,112,314	748,734	8	15th Mar.	q. 2	London and Can. Loan	136	131	35	132		134	130
882,889	1,761,804	341,690	1½+8	15th Mar.	q. 1½	London Loan and Sav.							
600,000	275,170	705,277	10	15th Mar.	q. 2½	Montreal L. & Mtg. Co.	176	16[illegible]	175	160			6
1,500,000	6,986,333	1,573,560	10	31st Mar.	q. 2½	National Trust	233	233	210	210	223		210
1,750,000	4,457,590	1,800,012	9	31st Dec.	q. 2¼	Ont. Loan and Deb.	173	179	175	169		175	160
500,000	655,690	236,408	7	31st Dec.	s. 3½	Real Estate Loan							103
1,500,000	32,104,188	1,848,813	10	31st Dec.	q. 2½	Toronto Gen. Trusts	210	291½	212	205½		207	207
724,550	88719 25	527,834	8	31st Dec.	q. 2	Toronto Mortgage Co.	138	128	140	134		140	140
,000,000	1,344,920	937,661	5	1st Mar.	q. 2½	Toronto Savings							185
,000,000	7,00,1000	991,336	10	30th Dec.	q. 2½	Union Trust							178
,000,000		5,946.27	4	1st Apr.	s. 4	Canada Life Assurance							9

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1915 High	Low	Range for Year 1916 High	Low	Latest Price Ask	Bid
1,500,000		1,894,179	5	1st Oct	s. 5	Canadian N. Prairie Lands						
800,000	300,000	395,959		1st Oct. '15	q. 2	Canadian Salt	115	110	140	124	135	120
59,133		1,752,420	5	13th Mar.	5	Can North-West Land						
		2,390,163	20	30th Dec.	q. 5	Confederation Life A.			350	330	335	320
6,212,667		531,499	6	1st June	1½	Crows Nest Pass Coal	100	100	83	71	80	
1,000,000		291,961	6	15th Jan.	q. 1½	Dominion Telegraph			90	86		90
3,000,000	3,984,500	77,642				Electrical Dev., pref.						
450,000	p2,909,000	1,458,082	10	1st Jan.	q. 2½	Imperial Life Assur.						
500,000	b 232,000		p	1st Mar. '12	s. 2	Intercolonial Coal						
	p 219,700	797,531	p	1st Mar. '12	s. 3½	Intercolonial Coal, pref.						
3,000,000		513,930		1st Mar. '14	1	Intern. Coal and Coke						
2,196,000	2,000,000	421,140	6	15th Jan.	q. 1½	Kaministiquia Power						
556,000	b 666,000	109,976	3	3rd Jan.	s. 3	London Street						
2,000,000		118,225	8	3rd Jan.	q. 2	Montreal Telegraph			136	135		135
925,000	b1,123,000	248,379				Nia., St. Kath. and Tor.						
1,000,000	b1,250,000	176,188				Saint John Ry.						
1,164,000	b 756,500	199,996		10th July '15	q. 1½	Trinidad Electric	105	100				
2,124,700	1,598,057	575,484	8	15th Dec.	q. 2	W. Can. Flour Mills	80	80	118½	102		
800,000	b 600,000	541,374	5	1st Jan.	q. 1¼	West India Electric						

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

Pickering Sand and Gravel Company, Limited

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 28th day of August, 1917, incorporating William Francis Curran Sellers, secretary, David John Gibson, real estate broker, Robert Errett Grass, Esquire, Norman John Schell, life insurance broker, and Ethel Mary Moore, stenographer, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To acquire by purchase, lease, concession, license, exchange or other legal title, sand and gravel lands or any interest therein; (b) To construct, maintain, alter, make, work and operate on the property controlled by the company, buildings, tramways, dams, roads, shops, mills and other works and machinery, plant and appliances of every description; (c) To buy, sell, manufacture and deal in all kinds of goods, stores, implements, chattels, and effects required by the company and its servants or workmen; (d) To quarry or dig for and sell all kinds of sand, gravel and stone; (e) To manufacture and sell all kinds of cement; (f) To carry on any other business capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (g) To acquire or undertake the whole or any part of the business, property or liability of any person or company carrying on any business which the company is authorized to carry on or possessed of property suitable for the purposes of the company; (h) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (i) To enter into any arrangement with any authorities, municipal, local or otherwise that may seem conducive to the company's objects or any of them and to obtain from any such authorities any rights, privileges and concessions which the company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges or concessions; (j) To do all or any of the above things as principals, agents, contractors or otherwise and either alone or in partnership or in conjunction with others; (k) To do all such other things as are incidental or conducive to the attainment of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Pickering Sand and Gravel Company, Limited," with a capital stock of one hundred thousand dollars, divided into 1,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 30th day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

B. N. DAVIS & GRASS,
Continental Life Bldg., Toronto,
Solicitors for Applicants.

The Canadian Annual Review, Limited

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of August, 1917, incorporating Frederick Egbert Earl, accountant, Jim Weir McFadden and Charles Brotchie Nasmith, barristers-at-law, and Beatrice Scheurer and Ethel Vivian Smiley, stenographers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To carry on a general publishing business as proprietors, publishers, editors, printers, binders and illustrators of and dealers in publications and literary undertakings of every description and to transact all kinds of business or adventure, and all such things as are incidental thereto or connected therewith; (b) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on or possessed of property suitable for the purposes of this company; (c) To acquire or take over as a going concern the business now carried on by the "Annual Review Publishing Company, Limited," a company incorporated under the Ontario Companies Act and all or any of the property, assets and liabilities of the said last-mentioned company in connection therewith, and with a view thereto to enter into such contracts and agreements to carry the same into effect as may be necessary; (d) To hold shares in any other company and to enter into any arrangement for sharing profits or for any other purpose with any person or company carrying on or engaged in, or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any similar business or transaction capable of being conducted so as directly or indirectly to benefit this company, and to lend money to, guarantee the contracts of or otherwise assist any such person or company and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same; (e) To promote any company or business for the purpose of acquiring all or any of the property and liabilities of this company; (f) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the company may think necessary or convenient for the purpose of its business, and in particular any land, buildings, easements, machinery, plant and stock-in-trade; (g) To invest and deal with the moneys of the company not immediately required in such manner as may from time to time be determined and to make advances to such persons and on such terms as may seem expedient and in particular to customers, agents and others having dealings with the company and to guarantee the performance of contracts by any person; (h) To draw, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (i) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, bonds, debentures or securities of any other company having objects altogether or in part similar to those of this company; (j) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the company's capital or any debentures or other securities of the company in or about the formation or promotion of the company or the conduct of its business. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Canadian Annual Review, Limited," with a capital stock of seventy-five thousand dollars, divided into 750 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 23rd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

The town of Gravenhurst has one of the highest tax rates in Ontario. Its taxpayers will have to meet a fifty-mill levy this year.

WE OFFER

CANADIAN

GOVERNMENT | PROVINCIAL
CITY | TOWN
COUNTY | TOWNSHIP

BONDS

TO YIELD FROM 5¼% TO 6%

NEW YORK
TORONTO
LONDON

Aemilius Jarvis & Co.
(Members Toronto Stock Exchange)
JARVIS BUILDING TORONTO, ONT.

DIVIDENDS DECLARED

The Canada Landed and National Investment Company, Limited

DIVIDEND No. 122.

NOTICE is hereby given that a DIVIDEND OF TWO AND ONE-QUARTER PER CENT. (being at the rate of nine per cent. per annum), on the amount paid up on the Capital Stock of this Company has been declared for the quarter-year to the thirtieth day of September, 1917, and that the same will be payable at the office of the Company, 23 Toronto Street, Toronto, on and after the **first day of October, 1917**, to Shareholders of record at the close of business on the fifteenth day of September, 1917.

By order of the Board,
EDWARD SAUNDERS,
Managing Director.
Toronto, 28th August, 1917.

The Montreal City and District Savings Bank

NOTICE is hereby given that a dividend of two dollars and ten cents per share on the Capital stock of this Institution (55% paid up) has been declared and will be payable at its Head Office in this city on and after Monday, the first of October next, to Shareholders of record on the 15th day of September next, at one o'clock p.m.

By order of the Board,
A. P. LESPERANCE,
Manager.
Montreal, August 20th, 1917.

The Bank of Nova Scotia

DIVIDEND No. 191

NOTICE is hereby given that a dividend at the rate of fourteen per cent. per annum on the paid-up capital stock of this Bank has been declared for the quarter ending September 30th, and that the same will be payable on and after Monday, the 1st day of October, next, at any of the offices of the Bank.

The stock transfer book will be closed from the 17th to the 30th proximo, inclusive.

By order of the Board.
H. A. RICHARDSON,
General Manager.
Halifax, N.S., August 17th, 1917.

The Consolidated Mining and Smelting Co. of Canada, Limited

DIVIDEND No. 26

NOTICE IS HEREBY GIVEN that a Dividend of Two and a Half Per Cent. (2½%) on the paid-up Capital Stock of the Company for the quarter ending Sept. 30th, 1917, being at the rate of ten per cent. per annum, has this day been declared, payable Oct. 1st, 1917, to shareholders of record at the close of business on the 10th day of September, 1917.

By Order of the Board,
J. KITTO,
Secretary.
Toronto, Aug. 31st, 1917.

Canadian General Electric Co., Limited

COMMON STOCK DIVIDEND No. 73.

NOTICE is hereby given that a quarterly Dividend of two per cent. for the three months ending the thirtieth day of September, 1917, being at the rate of eight per cent. per annum, has been declared on the Common Stock of the Company.

PREFERENCE STOCK DIVIDEND No. 43.

Notice is also given that a half-yearly Dividend of three and one-half per cent. for the six months ending the thirtieth day of September, 1917, being at the rate of seven per cent. per annum, has been declared on the Preference Stock of the Company.

The above Dividends are payable on the first day of October, 1917, to Shareholders of record at the close of business on the fifteenth day of September, 1917.

By order of the Board,
J. J. ASHWORTH,
Secretary.
Toronto, August 31st, 1917.

Dominion Textile Company, Limited

NOTICE OF DIVIDEND.

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th September, 1917, payable October 1st to shareholders of record September 15th, 1917.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.
Montreal 29th August, 1917.

Tooke Bros., Limited

Preferred Stock Dividend No. 20

NOTICE is hereby given that a Dividend of 1¾% on the Preferred Stock of this Company has been declared for the Quarter ending 31st of August, 1917, payable on September 15th, to Shareholders of record of the 31st of August.

By order of the Board,
W. S. BARKER,
Secretary-Treasurer.
Montreal, August 17th, 1917.

Provincial Paper Mills Co., Limited

NOTICE IS HEREBY GIVEN that dividends of one and three-quarters (1¾%) per cent. on Preferred Stock, and one (1%) per cent. on Common Stock of this Company, have been declared for the current quarter, both payable October 1st, 1917, to shareholders of record at the close of business, September 15th, 1917.

By Order of the Board,
S. F. DUNCAN,
Secretary-Treasurer.
DATED TORONTO, September 6th, 1917.

The Sherwin-Williams Co of Canada., Ltd.

NOTICE is hereby given that the Twenty-fifth Quarterly Dividend of one and three-quarters per cent. (1¾%), being at the rate of Seven per cent. (7%) per annum, upon the Preferred Stock of this Company, has been declared, payable to Shareholders of record the Fifteenth day of September, 1917, and that cheques for same will be duly mailed on the 30th day of September next.

Books not closed.

By order of the Board,
J. H. GORDON,
Secretary-Treasurer.
Montreal, August 29th, 1917.

The Molsons Bank

148th DIVIDEND

THE Shareholders of The Molsons Bank are hereby notified that a Dividend of TWO AND THREE-QUARTERS PER CENT. (being at the rate of eleven per cent. per annum) upon the capital stock, has been declared for the current quarter, and that the same will be payable at the office of the Bank, in Montreal, and at the Branches, on and after the

FIRST DAY OF OCTOBER NEXT,

to shareholders of record on 15th SEPTEMBER, 1917.

THE ANNUAL GENERAL MEETING

of the Shareholders of the Bank will be held at its banking house, in this city, on MONDAY, the 5th NOVEMBER next, at three o'clock in the afternoon.

By order of the Board,
EDWARD C. PRATT,
General Manager.
Montreal, 21st August, 1917.

Canada Cement Company, Limited

NOTICE TO BONDHOLDERS

NOTICE is hereby given that The Royal Trust Company, as Trustee, is prepared to receive tenders up to the 15th September, 1917, from the holders of 6% First Mortgage Gold Bonds of the Canada Cement Company, Limited, of Bonds to be purchased on account of the Sinking Fund as an investment for the sum of $204,543.20.

The lowest or any tender not necessarily accepted.

All Tenders should be addressed to
THE ROYAL TRUST COMPANY, TRUSTEE, MONTREAL.
31st August, 1917.

Western Canada Flour Mills Co., Limited

THE Board of Directors of WESTERN CANADA FLOUR MILLS COMPANY, LIMITED, have declared a Dividend of Two (2) per cent. for the three months ending 31st August, 1917, payable 15th September, 1917. The Transfer Books of the Company will be closed from 5th to the 15th September, 1917 (both days inclusive).

R. G. O. THOMSON,
Secretary.
Toronto, September 1, 1917.

HIGHER PRICES FOR AUTO TIRES TO BE EXPECTED

Fourth Advance of U. S. Makers During Present Year.

CANADIAN PRICES 50% UP

Manufacturers Claim, However, That They Have Not Been Taking Full Advantage of War-time Conditions and That 1917 Profits Are Lower.

Manufacturers of automobile tires in the United States have advanced their prices, effective on September 1, to the extent of 15 per cent. on motor truck tires and 10 per cent. on casings. Canadian manufacturers have not yet followed the upward trend of the American market, but there is strong probability that they may do so. Four advances have been made with the United States manufacturers since the first of the year aggregating in all from 35 to 40 per cent. Canadian manufacturers say that there has been approximately a 30 per cent. increase in tires since the beginning of the war. Changes in prices and the dates are as follows: February 15, 1915, 10 per cent. increase; October 15, 1915, decrease of 10 per cent.; January 19, 1916, increase 10 per cent.; December 18, 1916, increase 10 per cent.; April 27, 1917, increase 10 per cent. The net increase totals 30 per cent.

Increases in Canada have as a general rule followed increases in the United States, although some little time may elapse before the upward revision is made in Canada. The advance of Canadian prices over American normally carry about 30 per cent. With the recent increase in the United States there would be a difference in the neighborhood of 20 per cent. Duty on tires coming into Canada from the United States amounts to 42½ per cent.

Raw Materials Show Advances.

"On April 1, 1915, we paid 48c. per pound for Sea Island cotton, which is the class of material used in the manufacture of automobile tires," stated C. H. Carlisle, general manager of the Goodyear Tire and Rubber Company of Canada. "To-day it is practically unobtainable. If any were obtainable the price would be in the neighborhood of $1.60 per pound. There is an enormous demand for this grade of cotton — greater in fact than the world's supply. This is the big item in the increase of the cost of tires. The increase in the price of crude rubber has not been as great. Normally rubber sold from 48c. to 50c. per pound, while to-day it costs in the neighborhood of 74c. per pound. Perhaps the greatest increase has been in the price of the compound materials where an increase of 75 per cent. to 110 per cent. has been effected since the beginning of the war. Litharge, barytes, sulphur, gasoline and other similar materials have all greatly increased. Another very material item in increased cost is the price of coal. In 1914 we were paying at the mine 65c. per ton for slack, while our contract price at the present time is $3.75 per ton.

"There is an increased cost of manufacture in Canada as compared with the United States. In Canada there is a higher overhead charge on account of the lower production. There is furthermore a 5 per cent. tax on crude rubber from England coming in direct shipment and 7½ per cent. tax if it comes from a non-British source. In the United States rubber enter free of duty. In addition all materials that enter into the manufacture of tires are dutiable when coming into Canada, whereas in the United States they are not. Cotton carries a duty of 27½ per cent. and machinery 35 per cent. when coming into Canada. This increase by way of the duty adds to the capital investment. Machinery which would cost in the United States say $100,000 would cost $135,000 in Canada. Another big factor in the increased cost of doing business is the comparatively sparse population of Canada as compared with the United States."

Mr. Carlisle stated to THE FINANCIAL POST that the cost of the finished product has not been advanced in the same proportion as the raw materials. Advantageous buying has enabled the companies to keep the prices at a lower level than the spot markets for the raw materials warranted. The earnings of the rubber companies in consequence during the past year will not be up to the average profit of the preceding five years.

Brazil will not send troops to Europe nor will she lease requisitioned German ships to the Allies, according to an announcement by Minister of War.

Mexico City reports that the assessment on mining properties decreed by Carranza has been put into force by the Chamber of Deputies.

TORONTO MORTGAGE.

Mr. Francis, President, and Mr. Langlois, Vice—Mr. Gillespie on Board.

Wellington Francis, K.C., has been elected president of the Toronto Mortgage Company, and Herbert Langlois, vice-president. The vacancy on the board, caused by the death of Sir Wm. Mortimer Clark, has been filled by the appointment of Walter Gillespie, who is now managing director of the company.

ALBERTA'S COAL OUTPUT.

A Decline of 200,000 Tons in First Half of Year.

A decline of nearly 200,000 short tons in the output of Alberta's coal mines is shown by the figures for the first half of 1917 contained in a bulletin of the provincial mines branch. There is an increase in the output of lignite but a big decline as regards bituminous, while anthracite also shows a falling off. Comparative figures follow:

	6 Months 1917	1916
Lignite	972,579	931,777
Bituminous	826,897	1,051,422
Anthracite	59,204	71,061
Total	1,858,680	2,054,260

PUBLICITY

By GEORGE W. PERKINS,
Former Member of J. P. Morgan & Co.

If Congress, years ago, had enacted a publicity law, instead of the Sherman anti-trust measure, we would be much farther along in settling a problem affecting relations between capital and labor than we are at present.

The more I see of advertising the more am I for it. The institutions with which I have been connected during the past twenty-five years have spent millions of dollars to inform the people upon matters of importance concerning their affairs. For years it was the policy of these corporations to ignore the public's right to a more intimate knowledge of their affairs. They appeared to think that it was not entitled to anything more than perfunctory statements. If a gift of $50,000 was made to the Y.M.C.A. they wanted to conceal the fact from the stockholders, and, therefore, their first concern was to find out to what account it could be charged, so that the public would know nothing about it.

Recently the United States Steel Corporation gave $100,000 to the war fund of the Y.M.C.A., and the fact was made public without the slightest hesitation. The stockholders said that the corporation had done the right thing, and approved of it. This indicates the change that has taken place in the attitude of great business institutions toward publicity. If you trust the people they will trust you.

The more I have studied, worked with and seen the results of full, frank and complete publicity, the more I have come to believe that it is almost a cure-all for many of our modern business ills. I believe that the reason why publicity in our day and generation can accomplish so much is primarily because of the intelligence and fair-mindedness of our people. I believe that all our people as a whole want or ask for is a fair, square deal. They do not expect managers of business concerns or leaders of political parties to be infallible; they know they are human and liable to make mistakes; but the people want to know how their business managers and political leaders handle the affairs entrusted to them.

We Americans are not afraid of things simply because they are big, provided that they are big in the open, above board; but we are afraid of large aggregates of secretive, blind-pool methods. And it is largely because of secretive blind-pool methods that our people have been afraid of large aggregates of capital under what is known as corporate control. That is why they have been afraid of legislation conducted by a small group of men in star-chamber councils.

So far as complete publicity has been practised in our large industrial corporations it has been equally successful. Is it not high time, therefore, that we gave more thought to and applied in a more practical way the principle of publicity in our industrial and political affairs?

Publicity would accomplish what the Sherman law does not, viz., abolish false prospectuses, over-capitalization and stock-watering. Full and complete publicity would practically do away with these and kindred bad practices and crimes which are constantly recurring and for which the public has no redress at present. I stand for and believe in publicity—full, frank and complete.

MARCONI WIRELESS HAD FAIRLY GOOD YEAR

Eleven Months' Showing Slightly Below that of the Previous Full Year.

Considering the unfavorable and uncertain conditions under which they have been compelled to operate since the war began, the annual report of the Marconi Wireless Telegraph Company of Canada, must be considered as a promising one. Although issued only this week, it covers the 11 months ending Dec. 31 last, and the figures, which show only a small decrease as they stand, would undoubtedly indicate a small gain in net profits over the preceding year if the full 12 months had been completed. As it is, for 11 months the net profits were $104,929 as against $110,226, for the year before. The surplus acount now stands at $141,106 as against $80,816 one year ago, and only $5,728 two years ago, and a deficit of $15,336 three years ago. The assets now total $5,836,240 compared with $5,808,084 one year ago. The property station's rights and patents, titles, contracts, etc., amount to $5,444,914. The chief liability is the paid up capital stock of $5,000,000. Cash at bankers and loan at call amount to $11,616, compared with $101,147 in 1915-16. While the majority of the stock is held by the Marconi Wireless Telegraph Co., the most of the directors are Montreal men.

Some interesting war conditions are pictured in the report. An increased volume of transatlantic traffic was handled between the company's Glace Bay Station and Great Britain. This improved volume since is being well maintained.

"The value of your Company's organization both to Shipowners and to the Naval authorities has again been demonstrated during the past year, in that in no case has it failed to meet the numerous demands made upon it. The School of Instruction conducted by your Company has been a factor in contributing to maintain the Company's staff in replacing Operators assigned for duty in all parts of the Globe. Schools in affiliation with the Company are also conducted on the Pacific Coast at Vancouver and Victoria, B.C.

"The output of the Company's plant in Montreal was somewhat less than during the previous year, due to the fact that a smaller number of installations was required for Naval purposes."

It is announced also that a new design has been invented and important orders have since been received for a number of wireless sets. A divisional office has been opened at Halifax.

British Trades Union Congress, in session at Blackpool, by a vote of 2,894,000 against 91,000, decided not to send representatives to the Stockholm Socialist conference.

NEW WHEAT IS GRADING HIGH; 80% NO. 1 NORTHERN.

Continued from page 1.

conceivable that it would stir up trouble for Washington with the American farmer.

"The problem is a knotty one from whatever standpoint it is tackled. One thing which might help the situation would be for the Canadian banks to come forward and finance the crop for Great Britain for the time being. This would put both Canada and Britain in a more independent position with regard to the United States There was hope at one time that this might be done, but at present there is no indication that the banks are willing to undertake the work.

"The proposed minimum price for the crop of 1918, which is being included in the Food Control Bill of the United States, is another difficulty in the way of the adjustment of our prices.

"I returned yesterday from the final trip on crop inspection, having devoted a week to the north country, where crops are so heavy that the farmers will be hard set to know what to do with their money.

Outlook More Optimistic.

"In a few days the crop estimate for the season will be ready, and it will be a much more optimistic document than seemed possible two months ago. Even the oat crop which seemed beyond hope even three weeks ago, has improved enormously. This applies to the late crops, of which there were many in the north. Of course, there is no bumper oat crop, taking the West as a whole, but neither will there be any actual shortage, though there will have to be more distribution from north to south than is usual. There have been a few frosts, and potato tops, late flax and some areas of oats have been touched, but the loss in yield will be small in everything but flax, some of the latter being so green that the frost killed it before it filled."

The Ontario crop situation as reported by the Government reveals the following yields:

Crops	Acreages	Average Yields	35-Year average	Total Yields	Price Per Bus.	Price 1916
Fall Wheat ...	585,946	23.1 bus.	21.3 bus.	13,348,267	$2.30	$1.55
Spring Wheat .	182,957	21.2 bus.	16.1 bus.	3,879,954	2.20	1.55
Barley	551,298	35.1 bus.	28.0 bus.	19,368,329	1.22	.99
Oats	2,763,355	43.0 bus.	35.6 bus	118,949,200	.64	.64
Rye	113,077	17.3 bus.	16.5 bus.	2,305,600	1.29	1.17
Peas	90,322	18.1 bus.	19.1 bus.	1,635,960	2.10	2.06

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Rest & undivided profits £800,986
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London Office, 3 Bishopsgate, E.C.
Wm. Wallace, Manager.
Glasgow Office, Exchange Square.
A. Dennistoun, Agent.
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The UNION BANK OF AUSTRALIA, Ltd.
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CAPITAL:—
AUTHORIZED and ISSUED £6,000,000
Paid-up Capital..£2,000,000
Reserve Fund....£1,960,000 Together £3,960,000
Reserve Liability of Proprietors.......£4,000,000
Total Capital and Reserve £7,960,000
Head Office: 71, CORNHILL, LONDON, E.C.
DIRECTORS.
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Hugh D. Flower, Esq.
Charles A. Galton, Esq.
S. R. Livingston Learmonth, Esq.
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The Hon. A. R. Mills, M.P.
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Manager—ARTHUR C. WILLIS.
Assistant Manager—WILLIAM J. ESSAME.
The Bank has 41 Branches in VICTORIA, 39 in NEW SOUTH WALES, 19 in QUEENSLAND, 14 in SOUTH AUSTRALIA, [illegible] in WESTERN AUSTRALIA, 3 in TASMANIA and 44 in NEW ZEALAND. Drafts upon the Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

MONEY, BANKING AND EXCHANGE

Bank Clearings for the Week Showed a Gain for the Dominion of 13.5 per cent.—Eight New Bank Branches Opened, and Six Closed During August.

According to official returns made to THE FINANCIAL POST, bank clearings for the week ending Thursday last amounted to $195,391,669, compared with $172,013,982 for the corresponding period in 1916, an increase of $23,377,687, or 13.5 per cent., which compares with an increase of 15.7 per cent. in the previous week. The increase in the Eastern cities was 20.0 per cent., while Western cities showed a decline of 1.5 per cent. In the West, Victoria, New Westminster, Saskatoon, Edmonton, Medicine Hat and Vancouver showed the largest percentage gains. Winnipeg returns were lower by $5,708,228, while Brandon was the only other city in the West to show a decline. In the East, London, Hamilton, Sherbrooke, Toronto, and Peterboro showed substantial gains, Ottawa being the only city to show a decline. For the year to date the clearings amounted to $8,294,716,850, an increase over the figures for the corresponding period a year ago of $1,649,635,063, or 24.8 per cent. Comparative figures follow:

WEEKLY BANK CLEARINGS.
(In comparison with same week last year.)

Eastern Cities.

	Sept. 6, 1917.	Change.	%
Montreal	$ 70,290,231 +	$ 9,610,053	15.8
Toronto	51,389,714 +	11,522,710	28.9
Ottawa	5,430,123 —	287,916	5.0
Hamilton	4,779,118 +	1,534,856	47.3
Quebec	3,954,687 +	154,286	4.0
Halifax	2,569,339 +	42,805	1.6
London	2,367,856 +	771,753	48.3
St. John	1,663,415 +	127,136	8.2
Brantford	824,023 +	310,522	6.4
Peterboro	511,284 +	103,461	25.3
Sherbrooke ...	610,549 +	177,346	40.9
Kitchener	539,701 +	117,962	25.6
Total, East..	$144,930,035 +	$ 24,184,974	20.0

Western Cities.

	Sept. 6, 1917.	Change.	%
Winnipeg	$ 26,544,266 —	$ 5,708,228	17.6
Vancouver	8,067,512 +	1,885,965	30.5
Calgary	4,493,914 +	666,447	17.4
Edmonton	2,201,455 +	573,725	34.5
Victoria	2,027,763 +	701,303	52.8
Regina	2,325,041 +	287,078	14.0
Saskatoon	1,429,474 +	390,151	37.5
Moose Jaw ...	897,254 +	102,830	12.9
F. William ...	566,236 +	90,856	19.1
Brandon	527,489 —	120,631	15.8
Lethbridge	627,309 +	125,784	25.0
N. Westm'ster.	373,600 +	104,429	38.8
Medicine Hat..	380,321 +	93,004	32.3
Total, West.	$ 50,461,634 —	$ 807,287	1.5
Grand total..	$195,391,669 +	$ 23,377,687	13.5
Yr. to date..	$8,294,716,850 +	$1,649,635,063	24.8

Bank clearings for the month of August amounted to $964,646,733 compared with $857,787,530 for the same month in 1916, an increase of $106,859,203 or 12.4 per cent. In the West there was a decline of 7.6 per cent. and in the East there was a gain of 22.6 per cent. For the month the clearings are as follows:

MONTHLY BANK CLEARINGS.
(In comparison with same week last year.)

Eastern Cities.

	August, 1917.	Change.	%
Montreal	$354,434,157 +	$ 58,421,139	19.7
Toronto	244,647,685 +	57,136,461	30.4
Ottawa	23,983,615 +	4,093,140	20.5
Hamilton	20,103,111 +	4,238,833	26.7
Quebec	16,932,144 +	162,538	.9
Halifax	12,840,010 +	2,864,041	28.7
London	8,726,050 +	722,521	9.0
St. John	8,820,379 +	357,323	4.2
Peterboro	2,728,779 +	384,998	16.4
Sherbrooke ...	2,725,695 +	393,348	16.8
Kitchener	2,295,655 +	304,569	15.2
Total, East..	$698,237,280 +	$129,078,911	22.6

Western Cities.

	August, 1917.	Change.	%
Winnipeg	$150,156,145 —	$ 43,977,682	22.6
Vancouver	38,527,759 +	9,977,045	34.9
Calgary	25,820,413 +	7,107,324	37.9
Edmonton	10,924,293 +	308,149	2.9
Victoria	7,418,946 —	210,054	2.8
Regina	11,484,312 +	974,427	9.2
Saskatoon	7,049,632 +	1,320,635	23.0
Moose Jaw ...	4,458,347 +	235,316	5.5
Ft. William ..	2,652,892 +	105,542	4.1
Lethbridge	4,110,272 +	1,202,603	41.3
N. Westm'ster.	1,558,142 +	165,653	11.8
Medicine Hat..	2,248,301 +	571,335	34.0
Total, West..	$266,409,453 —	$ 22,219,708	7.6
Grand total..	$964,646,733 +	$106,859,203	12.4

MONEY.

Money in London has been ruling steadily throughout the week at 3¾ per cent. In New York, after opening strong at 6 per cent., money eased off to 4 per cent. The earlier strength was attributed to the influence of Saturday's bank statement, which disclosed a decrease in surplus of $56,469,020, and also to the forthcoming Liberty Loan. In the case of time loans, scarcely any money has been obtainable in any direction.

EXCHANGE.

The only noteworthy feature of the week in exchange was a weakening in the Italian lira. One Friday week, the lira was quoted in New York at 7.50. On Tuesday, it was down to 7.59; on Wednesday to 7.65; while on Thursday and Friday it was quoted at 7.67. In view of the Italian military successes, it is difficult to understand this weakness, which is of course due to commercial reasons.

Roubles have continued very weak. At the opening on Tuesday, demand was quoted at 17.40 and cables at 17.50. There was an improvement on Thursday to 17.55 and 17.65, while yesterday there was another decline to 17.25 and 17.35.

Sterling has held practically unchanged at 4.75½ to 4.7555 for demand and 4.76 7/16 for cables.

Francs opened at 5.77⅝ for demand; 5.76½ for cables, closing weaker at 5.77¾ and 5.76⅝.

New York funds have had slight variations during the week but have held pretty well around the ⅛ per cent. rate. On Thursday they ranged from ⅛ to 5/32 and yesterday from 3/32 to ⅛.

U.S. BANK CLEARINGS.

Bank clearings in the United States for the week ending August 30 aggregate $5,347,866,000, against $5,287,595,000 last week and $4,205,612,000 in this week last year, an increase of 27.1 per cent. Following are the returns for this week and last, with percentages of change shown this week as compared with this week last year:—

(000's omitted)

	Aug. 30	I. or D.	Aug. 23
New York...	$3,211,231	I 26.0	$3,055,036
Chicago	438,512	I 20.4	451,180
Philadelphia.	288,232	I 34.2	300,406
Boston	200,140	I 42.8	206,482
St. Louis ...	121,791	I 34.3	126,269
Kansas City.	130,391	I 28.2	136,576
San Fran...	96,420	I 61.6	90,378
Pittsburgh .	75,807	I 40.8	78,622
Cleveland ..	71,863	I 51.6	69,632
Detroit	46,461	I 17.2	54,798
Baltimore ..	38,642	I 11.6	40,378
Cincinnati .	35,977	I 27.5	38,064
Minneapolis.	24,354	D 5.5	24,646
New Orleans	30,738	I 36.3	30,475
Los Angeles.	27,463	I 33.6	24,738
Omaha	29,449	I 18.3	30,745
Milwaukee .	21,510	I 27.4	24,217
Atlanta	21,676	I 53.1	23,086
Louisville ..	15,846	I 1.0	17,038
Richmond ..	27,222	I 82.9	27,112
Buffalo	16,042	I 20.3	18,696
Seattle	21,130	I 55.8	23,358
St. Paul ...	11,662	D 5.4	12,669

BANK OF B.N.A.

The board of directors of the Bank of British North America have declared a dividend of 40 shillings per share for the half year, less income tax at the rate of 8 per cent. per annum. The amount carried forward is £39,000 as compared with £17,500 for the same period a year ago.

STERLING.

A. Burrow, who has been acting accountant in the branch of the Sterling Bank at Toronto for some time, has been appointed manager of the branch at Sombra with supervision over Courtright branch.

E. G. Kramer, for some time in the head office of the bank has been appointed acting manager of the Courtright branch in place of Mr. Wallace who has resigned.

A. G. Durocher has been transferred from Mille Roches branch to the branch at Bayfield where he is acting as teller.

H. McIntosh has been transferred from the branch at Regina to Gilbert Plains as teller, in place of W. O. Slawson, who has enlisted with the Royal Canadian Naval Volunteer Reserve.

T. S. Murray has been appointed acting accountant at Winnipeg.

NATIONAL CITY.

A report from Mexico states that the Mexican Government has granted permission to the National City Bank of New York to open a branch at Tampico. The National City Bank of New York has hitherto not been represented in Mexico.

NEW BANK BRANCHES.

Returns to THE FINANCIAL POST indicate that during the month of August the Canadian chartered banks opened eight new branches, three of which were sub branches, and closed six branches. The Banque Nationale opened four branches in Ontario; Royal one at Speightstown, Barbadoes; Imperial a sub branch in British Columbia and the Hochelaga one each sub agency in Quebec nd Manitoba. Of the six branches closed three were by the Imperial in Ontario, and one each by the Union in Ontario; Provinciale in Ontario and Montreal in British Columbia. Following is a list of the branches opened and closed:—

(OPENED)

Nationale—Four in Ontario.
Royal—Speighstown, Barbadoes.
Imperial—Athalmer, B.C., sub to Invermere.
Hochelaga—Ferne-Neuve, Que. (sub agency), St. Claude, Man. (sub agency).

(CLOSED).

Union—Grimsby, Ont.
Provinciale—Ottawa, Wellington St.
Imperial—Niagara Falls (Upper Bridge Branch), Port Robinson, Ont., Marshville, Ont.
Montreal.—Athalmer, B.C.

The number of branches now total 3,430. For the first eight months of the current year the number of branches opened amounted to 152, while the number of branches closed amounted to 29. The changes for the past three years and for the first eight months of the present year are as follows:

	1917		1916		1915		1914	
	*Op.	Cl.	Op.	Cl.	Op.	Cl.	Op.	Cl.
Jan. ...	19	6	16	14	6	9	16	6
Feb. ...	19	2	10	12	12	9	18	6
Mar. ...	19	4	11	12	23	10	25	5
April ...	22	4	3	9	10	7	20	9
May ...	40	3	16	8	19	13	51	13
June ...	18	2	9	9	28	18	33	11
July	7	2	13	3	9	6	11	2
Aug.	8	6	10	5	9	6	13	8
Sept.	..	..	6	6	23	11	10	9
Oct.	..	..	30	11	6	7	15	4
Nov.	..	..	24	23	10	14	5	16
Dec.	..	..	13	3	15	24	20	23
Total ..	152	29	161	114	169	134	237	119

NEW YORK MONEY RATES.

Bank Position Will Soon be Restored to Comfortable Circumstances.

New York.—Judging from recent experiences, it will not be long before the local bank position is restored to comfortable circumstances through a rehabilitation of the clearing house reserves. The high money rates that result from the present condition quickly attract funds from outside. This is a natural operation of the money market, and was always in evidence in former times. But under the modern system of banking, with expeditious measures of clearing between the interior and the East, through the medium of the Federal Reserve System, funds are transferred from one point to another in a remarkably short space of time.

About six weeks ago, the Clearing House bank statement disclosed a reduction in the surplus reserve to $36,000,000. The 10 per cent. rate for call money that immediately followed brought funds to this market in such volume that in the very next week the surplus reserve was increased by over $100,000,000 and call money was loaning again at 2 per cent. The surplus reserve on August 4 stood at $168,700,000. In the middle of June the surplus fell to $41,800,000, but a 6 per cent. money market caused it to be increased to $104,800,000 within a week.

The only instance when the money market has remained firm for any length of time was that of last December. The surplus had fallen early in the month to $41,000,000, and, although it was steadily increased thereafter, it did not cross $100,000,000 again until the end of the year. In the meantime, the rates for call money were persistently high, touching 10 per cent. on occasions. But more than the money situation was disturbing Wall Street at the time. The whole financial situation was disturbed on account of peace rumors.

Last year at this time the clearing house bank statement showed a surplus reserve of $95,800,000. Call money was renewing at 3 per cent.

The highest figure recorded for the New York Clearing House surplus reserve was the $278,452,990 of July last. This, however, was only temporary on account of the technical change in the manner of calculating the reserves. Previous to that the highest surplus reserve recorded was $224,122,990 on September 11, 1915.

Another reason why a drastic cut in the surplus reserve and impairment of the bank position is of much less consequence to-day than it used to be, is the fact that the Federal Reserve System is now in existence and offers a buffer to absorb the shock. The banks are more familiar now with the rediscounting facilities and can turn a certain part of their assets into cash if the situation gets at all tight.

PACKERS UNEASY AT CURTAILMENT OF BACON TRADE.

Continued from page 1.

Government as will change the face of the matter.

No Lowering of Prices.

Commenting on the situation which has been created, *The Canadian Grocer* says:

"As to the general bearing of this restriction on the trade in general, up to the present there has been no marked change, but contrary to general expectations the change has not been toward lessened cost. The scarcity of hogs has been a feature of the market of late, with consequent high prices. This has served to keep the market from any panicky condition following the announcement of the curtailment of foreign trade. Moreover, the packers are confident that there will be no actual embargo. What is expected is the appointment of a central purchasing commission, that will do the buying of all these products. Whether this will have a lowering tendency is largely dependent on the nature of this activity. If such a commission should be located in the United States, then in the natural course of events, Canadian raw products would have to come down if there was to be a successful bid for this business. This would, of course, mean somewhat lower Canadian prices. This, however, is only a guess. At the moment no one knows just what the bearing of the situation is, and the packers are all holding firm pending a better understanding of the matter. Should an absolute embargo be imposed, there would, in all likelihood, be a marked decline, but this is not considered a possibility. In any event, this market would in such an event be protected by the discontinuance of purchases of hogs in America, which would have a very considerable effect.

"It is early yet to estimate the possible effects. At a rough guess the probabilities would seem to favor slightly easier prices, but any marked decline is scarcely within the range of possibilities."

Robert Cassels W. G. H. Browne

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80 KING ST. EAST · TORONTO
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THE ROYAL BANK OF CANADA
INCORPORATED 1869
Capital Authorized - - $ 25,000,000
Capital Paid Up - - 12,911,700
Reserve and Undivided Profits, 14,324,000
Total Assets - - - - 295,000,000

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Thirty-eight Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela
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Subscribed and Fully Paid 750,000.00
Reserve and Surplus 500,000.00
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REGULATION OF PRICES DOOMED TO SURE FAILURE

Economist Says Tampering Will Reduce War Efficiency.

PUBLIC MIND INFLAMED

Opinion That Desperate Situation Demands Desperate Measures is Dangerous—Cool, Scientific Treatment is Necessary.

By WM. E. CHANCELLOR,
Hage Professor of Economics, College of Worcester.

The science of economics has only one answer to the question, Will price regulation succeed? Economics is mathematical reasoning about society in respect to wealth—its production, distribution, and consumption. This reasoning proceeds from facts; in consequence, economics is essentially inductive, seeking correlates in reality and ignoring opinion. A fact when at rest is immovable adamant; when in motion it is irresistible force. There is no arguing about facts or with them.

It is rather generally agreed just now when we are so eager to win this war that price regulation will help us win it. For one, if price regulation gave promise of helping us win, even though the science of economics were thereby to be proved obsolete, I should be enthusiastically for such price regulation, of course. But believing that price regulation will postpone victory for America against criminal power in Middle Europe, I am, of course, against it.

There seems to be one social cause why men now so generally imagine that price regulation will help in the war against wickedness crowned in a high place; and this cause is the delusion of an idea in the social mind. The idea is that desperate situations require desperate remedies.

On the contrary, desperate situations require gentle, patient, scientific treatment; they require cool heads; they require truth and obedience to it. Seldom are social situations remedied by major surgical operations.

Price, of course, is a ratio between supply and demand in an open market. It is the measure of the relative strengths of the sellers and of the buyers. This ratio is customarily measured in the terms of a second article of very wide distribution—money. A strong seller means a slow sale and a high price; a weak seller, a quick sale and a low price. A seller is strong when the buyer is weak; he is weak when the buyer is strong.

Time Against the Seller.

In a worldwide market even a great corporation may be a quick and weak seller, for costs are forever running against those who have. These costs include interest, insurance, depreciation, taxes, watching, and many things else. The seller has time against him. Every sale shows that the seller has weakened enough to let go.

The seller is playing for two things—his profit and his principal. And he will fight harder on the hill than in the ditch. The one cause why this is not clearly perceived is that as asking price falls, in most markets, the buyers increase. But in a two-party market, such, for example, as real estate at private sale, once that a buyer discovers that the seller is willing to sacrifice profit, he knows that the seller is at his mercy. Whenever profit is no longer hoped for, and the struggle is simply to save as much of the principal as possible, price is in avalanche downhill. In many a trade the seller makes a net loss. Add in pro rata the seller's cost of living and it is demonstrable that most markets are buyers' markets. Were it not so, all the property of the world would long since have been in the hands of the very few; and the population of the earth would be small.

No doubt there is a general notion in America that the seller owns the market; but nowhere else are the failures of manufacturers and merchants so common, nowhere else is property so widely distributed, nowhere else, even to September, 1917, is prosperity so generally diffused. In nine years, in ten in America, we have had a buyers' market.

Therefore, we resent fiercely the sellers' market that has prevailed for at least a year; perhaps we may say for over two years. The causes that have established this sellers' market are well known. Production in most lines has been reduced in quantity. In a few lines consumption has been enormously increased. For causes not economic, but racial, political, and ethical, buyers have become exceedingly eager. Though both forces have been at work, it has been rather the quickness of buyers than the strength of sellers that has made this market one of enormously enhanced prices. Coincident with the unusual pressure to buy because of need, the buyers have found themselves possessed of floods of gold and of Government credits with which to go into the markets and to surrender to the sellers.

Even in respect to what it buys itself, Government is always sympathetic with the buyers whether in peace or in war, for taxes always lower prices through increasing the pressure upon sellers. Heavily taxed peoples always have buyers' markets and low prices. Moreover, in almost all items, buyers vastly outnumber the sellers; and Governments express the consent of majorities. It is true that we are not by any means yet a heavily taxed people; but it so happens that the Anglo-Saxon is born believing that any tax at all is heavy. For a thousand years he lived in allodial tenures of land and goods—free of all lords and all taxes—which is ominous to Prussianism.

The recent vast foreign and domestic Government war purchases have confused our minds, but they cannot alter the truth. Domestic Governments as buyers are always threatening sellers; the present American political situation, with its La Follettes, Gronnas, Gores, and others, is just what history leads us to expect. The legislation that increases taxes, that confiscates war profits, that invades the private books of business men and of other owners of property, is strictly standard; the Pharaohs, the Greek democracy, the Caesars, the mediaeval lords, the Stuarts, the Bourbons, the Jacquerie have one and all in one form or another indulged in trying to subdue private enterprise by threat and by force.

New Name For Old Practice.

The ancient hatred of strong sellers felt by weak buyers and utilized by Government for its own ends now takes a new name to destroy the power of the strong—"profiteering." But the war against "profiteering" is no new thing. Price regulation is a familiar form of something very old; Egypt, Greece, Rome, the Bourbons, the Stuarts, all practised it, and failed. Its aim, immediate or re-

Continued on page 15.

LONDON AND B.N.A. CO.

Vancouver Concern—Formerly Mahon, McFarland and Procter—Presents Report.

Special Correspondence.

VANCOUVER.—The balance sheet of the London and British North America Company of Vancouver, formerly Mahon, McFarland and Procter, has just been made public. The statement covers the accounts of the company for the year ending March 31 and after providing for preference stock dividends of £11,250 and a small amount for furniture and fittings depreciation, there is carried forward the sum of £9,194. Included in this sum is an item of £7,455 from last year. Half of the paid-up capital of the company is in 4½ per cent. cumulative preference stock.

Included in the company's assets are items of £264,239 on account of loans on mortgage and advances in Canada against security; the company's building and property in Vancouver valued at £95,846; and £94,647 on investments including war loan and exchequer bonds at cost or under. A note states that the value of the latter securities at March 31 was £85,000. The company also holds land and properties in Canada held by foreclosure, amounting to £23,563 which is an increase of £5,774 over the same item appearing in last year's balance sheet.

CONDENSED MILK TRADE.

Increasing Demand for Canadian Product in Newfoundland.

According to statistics published by the Newfoundland Agricultural Board, the colony's total daily supply of fresh milk in the year 1915 was 18,225 gallons. Licenses were issued to owners of 1,900 milch cows to supply milk and cream to city dealers and customers, the total yield being 2,400 gallons a day. Exclusive of these the country possesses other 16,300 milch cows yielding an average daily supply aggregating 12,225 gallons. Of this latter quantity, however, it is estimated that only one-half is consumed as milk, while the remaining half, or about 6,113 gallons, was converted into butter, showing the colony's total daily supply of fresh milk to have been about 8,512 gallons. Consequently, Newfoundland offers a rapidly growing market for milk in condensed form.

A previous report showed that of the total value of condensed milk, amounting to $49,295, imported in 1916, Canada supplied $31,236 worth compared with $4,444 in 1914, and $17,246 in 1915, this being an increase in total imports of over 236%, and in imports from Canada of over 600%.

THREE YEARS OF WAR TRADE AND FINANCE IN G. B.

£5,136,000,000 Has Been Spent by Britain to Date.

KEEPING UP THE TRADE

Remarkable Development of Business is Shown by Figures of Imports and Exports Since War Broke Out.

With three years of the great war passed into history and a fourth annual campaign under way, it is highly interesting to note some of the more general effects upon the financial and commercial affairs of Great Britain. Not only has the Empire played a great part in land and sea campaigns and in the production of munitions, but she has, in additon to providing for her own financial needs, established herself as the banker of the Allies. At the same time, while she has been devoting her greatest energies to the campaign, her commerce has not been neglected, it having been recognized that to maintain her position as the Allied banker, it was necessary to pursue those activities which had established her as the world's greatest merchant.

Between Aug. 1, 1914, and July 28, 1917, roughly speaking, the first three years of the war, Great Britain, according to estimates of *The Economist*, spent the sum of £5,136,000,000. During this period revenue produced £1,243,000,000. From these figures the cost of government in peace times—£600,000,000—may be deducted in order to arrive at the total of war costs and extra revenue raised to meet it. This brings the figures to £4,584,000,000 for total war costs and £643,000,000 for war revenue. In considering the totals, however, the loans to the Allies and Dominions must be given attention. These amounted to £1,171,000,000 to July 21.

On the basis of the figures referred to *The Economist* estimates that the war revenue is less than 19 per cent of the net war expenditure. However it is pointed out that too much stress must not be laid on this figure, because the expenditure includes many items which will ultimately be repaid and it may be some years before it is known what the real net cost of the war is. On the other hand it is assumed that the whole of the loans to Allies are good assets, and it is likely that in the case of some of the poorer nations this assumption may have to be modified.

In any event, *The Economist* offers the criticism that the proportion of war costs raised by revenue is dangerously low when compared with 47 per cent. raised during the Napoleonic war, and 47.4 per cent. during the Crimean war. There is consolation however, in the fact that if British finance has been lax in this connection, that of the enemy has been much worse. Following is a brief summary of the Empire's war time financing:

British War Finance.
Aug. 1, 1914 to July 28, 1917.

Total spent	£5,136,164,830
Inc. Exchequer bal.	17,030,867
Grand total	£5,153,195,697
Raised by revenue	£1,242,961,050
Net borrowings	3,910,234,647
	£5,153,195,697

Loans to Dominions and Allies.

To Dominions	£ 146,000,000
To allies	1,025,000,000
Total	£1,171,000,000

The Trade Record.

The British trade figures for the period of the war are regarded as a remarkable triumph over formidable obstacles, although the Board of Trade returns do not include a large quantity of government purchases abroad and shipments to armies direct in the field. *The Economist* points out that five or more millions of men have been drawn from the civil population to fight, that British seamen have had to run the gauntlet of unrestricted submarine piracy, that shipping resources have had to provide transport and to supply services for armies in France and Belgium, Salonica, Mesopotamia, Egypt and other parts of the world, and yet, even after full allowance has been made for the general rise in prices, the volume of trade indicated is nothing short of enormous. Following is a summary of the figures for half year periods:

British War Trade.

	Imports less re-ex. £	Exports £	Balance £
1914, 6 m.	284,728,100	174,773,100	109,955,000
1915	755,537,400	384,647,300	370,890,100
1916	850,940,300	506,279,700	344,660,600
1917, 6 m.	456,654,900	251,147,600	205,507,300
3 years	2,347,860,700	1,316,847,700	1,031,013,000

The swelling of the import balance is undoubtedly an unsatisfactory feature of the trade account, and it is somewhat discouraging to find that the last half year added £40,000,000 more to this balance than the previous six months. Then in addition to this growing difference between imports and exports of commodities has to be added an unknown amount of government purchases abroad. There has also been an increase in the invisible imports. Against these increases however there may be set a considerable growth in invisible exports in the face of the earnings of merchant ships, while there have also been exports of securities for sale in America and neutral countries; further these invisible exports have been added to by borrowing abroad. Although not clear as to detail, the figures given may be taken as an indication of that immense economic stamina and resource which means much in relation to the final solution of the war problem.

WABASSO COTTON CO. EARNED 3.5 PER CENT.

Showing of Net Profit Available for Common Compared With 2.4 Per Cent. Previous Year.

The annual report of the Wabasso Cotton Co., Ltd., is hardly as favorable as might have been expected where textile companies generally have been running far ahead of previous year, both in gross sales and net profits. The gross profits of Wabasso for the year ending June 30 were $181,349, compared with $147,544 last year, and the net profits,—after allowing $52,349 for depreciation, $55,260 for bond interest, $10,418 written off, and $2,000 for Patriotic Fund,—amounted to $61,321 as compared with $41,734 last year.

The earnings in common work out at 3.5 per cent., where last year the percentage was 2.4. The profit and loss account amounts to $238,659 as against $216,024 last year. Total assets are $3,790,739. Current assets amount to $887,355 with current liabilities of $700,043.

Attention is drawn by the president, C. R. Whitehead, to the purchase during the year of 7,602½ shares of the Shawinigan Cotton Company.

"In making this purchase," he states, "your directors feel that a favorable opportunity offered of acquiring control of an allied company the future benefits from which are expected to be considerable."

This latter company was incorporated in 1909 to manufacture cotton yarns, and has outstanding capital stock of $1,000,000. There is a funded debt outstanding of $1,066,000 first mortgage 6 p.c. 40-year gold bonds, due Dec. 1, 1949.

ENGLISH BREWERIES.

Larger Dividends Reported Despite War Conditions.

LONDON.—War has given the temperance advocate many fresh pegs on which to hang his faith. It would seem, however, that the pressure of industrial wealth has made necessary the maintenance at least of a good supply of light beer for the manual worker. Thus, despite the restrictions inevitable in wartime, the reports of British brewing companies, which are now coming to hand, show results very satisfactory to the shareholder.

A. Guinness & Co., the famous Irish firm, show for 1916-17 a record figure of net profit, viz., £1,900,000, and this firm has contributed £473,000 to the excess-profits tax, and is still able to pay to its shareholders a dividend of 16 per cent., which is equivalent to 32 per cent. on the original capital.

Watney, Combe & Reid has this year paid a dividend of 8 per cent. on its deferred ordinary stock, which has been without a dividend for ten years. The net profits were £516,000, compared with £386,000 a year ago. In the case of this company the increase in profits is largely due to the fact that it held a large stock of barley bought at what now seem low prices. The use of improved methods also brought additional profits from the sale of dried grain and other by-products.

Bass, Ratcliffe & Gretton show a net profit for the year ended June 30 last of £425,000, compared with £376,000 for the previous year. The dividend for the year is 14 per cent. compared with 12 per cent. a year ago and 10 per cent. for 1914-15.

The report of the Commissioners, recently appointed to inquire into the cases of industrial unrest, emphasized the desirability of maintaining a good supply of beer for agricultural and industrial workers. The older established companies who are in a position to raise the money for financing their trade at the present high prices would thus seem to be well placed for the future. The excess-profits tax certainly restricts the amounts available for dividends, but the prospects after the war do not seem bad.

All mail services from the United States to Germany, Austria-Hungary, Luxemburg, Bulgaria, Serbia, Montenegro and Turkey; and parcel post service to Belgium, Netherlands, Norway, Denmark, Sweden and Greece have been suspended.

SECURITIES AND CAPITAL VALUES AFTER THE WAR

Government Financial Operations Render Situation Very Complex.

MONEY RATES OF FUTURE

American Authority of the Opinion That Capital Will Surely Be More Valuable After the Restoration of Peace.

By W. E. FULCHER,
In the "Trust Companies' Magazine.

Numerous and divergent opinions have been advanced as to the price of capital and the status of the security market after the war. The situation is rendered much more complicated and uncertain by the huge financial operations of the Government and the fact that the economic resources of this country have now been pledged to the cause of the Entente Allies. There is, however, always the possibility that any of these widely divergent views may prove to be—the correct one.

As regards the value of capital and the price of securities. A general appraisal of the situation in the light of precedent and recent experience must lead to the conclusion that capital will surely be more valuable after the restoration of peace. When the war is over there will be a greater degree of confidence than exists at the present time. There will be greater willingness on the part of investors to loan their capital for both reconstruction and exploitation.

U. S. Investors and Old World.

The American investor is to-day more interested and better informed regarding the Old World than ever before. His capital will play an important part in connection with the rebuilding and development necessary to the countries which have been bearing the burden of this stupendous war for nearly three years. By this we do not mean to infer that liquid capital will command an excessive price, but it will undoubtedly be worth more than just prior to the war.

As regards securities. With the restoration of confidence and the feeling that our people possess for some of the European countries it is natural to expect that the gap between foreign issues and our own domestic securities will be somewhat reduced. It is reasonable to assume that such readjustment will be largely in favor of better prices for foreign securities than now prevail; most likely bringing with it somewhat lower figures for certain of our own issues and correspondingly more liberal income returns.

Economic and Business Readjustments.

Although prophecy is hazardous at a time like this, when all precedents must be cast aside, we shall venture to submit certain conclusions regarding the future course of economic conditions and readjustments when peace is again restored.

First, we shall face the subject on the supposition that the struggle in Europe will terminate at or before the end of the current year. Our reasons for taking this position are largely based on:—

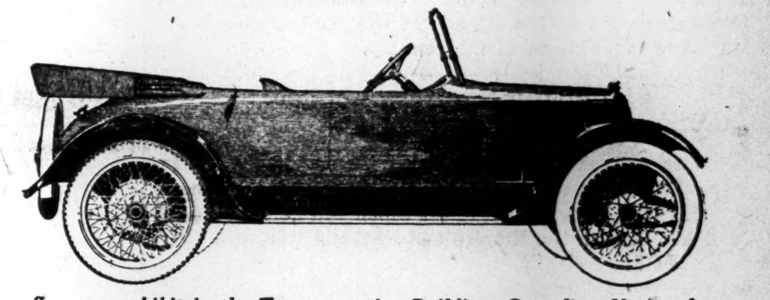
A.—Economic exhaustion of the Central Powers.

B.—It is undoubtedly a fact, easily substantiated by the foreign trade reports of this country, as showing heretofore unparalleled exports to such countries as Holland, Denmark, Norway and Sweden, that Germany has received very substantial supplies from the countries named.

C.—Just prior to the entry of the United States into the war there was a period during which practically nothing in the way of foodstuffs left this country for those neutral markets. At the

Continued on page 11.

Overland



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Toronto, September 8, 1917.

GOVERNMENT FARM LOAN RATES.

IN the Western Provinces government farm loans are being introduced. The idea of encouraging agricultural production by facilitating financial assistance is one to be encouraged. However, methods being employed are open to criticism.

In Manitoba the government is making loans at 6 per cent. Money is costing the government that much. Administration with the most careful of private organizations costs 1½ per cent.; the cost to the government—with the usual government inefficiency—is probably higher. It would not be extravagant to say that on every dollar loaned by the Manitoba Government, the farmer is paying 6 per cent., and the general taxpayer is being indirectly charged 2 per cent.

This may be encouraging production, but it cannot be regarded as a healthy situation. Besides the government is assuming an unfair advantage over the private loaning organizations. Not having public funds to draw on, they cannot afford to lose on their business. The result will eventually be that they will not be able to afford the market interest rates for capital and compete with the government and will, therefore, be forced to reduce their loans. Any legislation which tends to discourage capital investments in Western Canada at the present time is endangering the welfare of the country.

THE BUSINESS OF PRODUCTION.

LET us again give emphasis to the necessity for immediate and aggressive action in the campaign for increased agricultural production in 1918. Now is the time to lay the foundation for that effort which will help Canada to fulfil her duty to the Empire and to the Allies—a duty in which she has failed in 1917. And not only is this a duty, but it is good business. That agricultural production is the foundation of our national prosperity was the keynote of the address of Dr. Rutherford, Superintendent of the Department of Natural Resources of the C. P. R. at the National Exhibition luncheon on Farmers' Day.

Dr. Rutherford declared that it was time that Canadian people woke to the necessity of putting the best agricultural brains in charge of our departments of agriculture. We agree with him that the best agricultural brains should be serving these departments, but we do not believe that they should necessarily be in charge.

Agriculture is an industry which is closely related to science. But in securing production we believe that the principles of science are secondary to the principles of business. We believe, as we have previously declared, that our departments of agriculture should have the services of our best agricultural scientists, but also that they should be directed by executives who have proven their capacity for effective organization to productive ends.

Agriculture is a business. When we put business methods on the farm—when we show the farmer that there is big profit in increased production despite certain increases in the cost—then we will have increasing rather than decreasing crop areas. If the prices do not encourage the larger operations, then they should be raised by regulation rather than lowered. The world demands more food. Price is a secondary consideration for the time being.

POLITICS AND TRANSPORTATION

THE objection of THE FINANCIAL POST to the principle of government ownership, as embraced in the bill providing for the purchase of the C. N. R. by the Dominion, is based upon a sincere belief in the inefficiency of government administration. This belief is founded upon the results which have attended state operation of transportation systems in practically every other country in the world where it has been attempted. Canada does not promise to have an exceptional success; we are rather inclined to believe from what we know of the political tactics at Ottawa that the results will prove an exceptional failure.

The argument that the administration will be free from political influence or that such will be overcome by the Railway Commission carries little or no weight. In the first place, the control of the proposed board will be in the hands of the government. In the second place, a railway controlled by a party government will have more influence over the Railway Commission than the commission will have over the railway. Let us enlarge on the latter idea.

Since its organization, the Railway Commission has been a very important factor and influence in the transportation situation in this country. It has exercised an impartial and for the most part efficient control over the different systems. This has been because its mission was to impartially improve relations between the public and the railways.

But how long will the attitude of a government appointed railway commission remain impartial if there is a government railway controlled by a party directorate competing with a private corporation?

THE POLITICAL SANTA CLAUS.

IT is election eve and the political Santa Claus is abroad in the land. With his pack filled with wharves that will actually float, government buildings which may really be occupied, and telephones which positively carry the human voice, the good party St. Nicholas is bestowing right and left his lavish gifts. Not only are they for the politically good children, but for those who promise to be politically good—in this respect the real Santa of Christmas who rewards only past good conduct, is a hard-hearted old curmudgeon by comparison with the free-handed bestower of election day.

And for election days of the future there are prospects that for the good children who carefully obey the master of the party dominant—or promise to—the political Santa may have in addition to his wharves and postoffices and telephone systems, some handsome government railway stations or some toothsome freight rate rebates.

Children obey your party parents—so long as you receive, does it matter who pays?

MR. BECK'S DILEMMA.

THE reckless disregard by Sir Adam Beck and the Hydro Commission of the fundamental principles of business in the conduct of the Niagara public ownership enterprise has been frequently pointed out by THE FINANCIAL POST. Results are to be noted—chickens are coming home to roost. The false demand created by selling power below its market value has resulted in the Commission being unable to meet consumption. The result is a situation which would probably ruin a private corporation. But instead of facing the crisis in a business way, it is evident that the use and abuse of legislative powers will be attempted.

To extricate itself from the difficult situation resulting from its own unbusinesslike methods, the Commission has tried in several directions to over-ride established rights. The Chippewa project has been launched in violation of an agreement between the government and the Electrical Development Company. The latter concern has been charged with taking too much water for power purposes with the evident idea of seizing any surplus. Other efforts have also been made to throttle the Development Company, and now, the seizure of all power exported from Canada is being contemplated. When it is pointed out that this power is being exported under agreement, that a breach of a treaty concerning the rights of American citizens is proposed, the revision of the treaty is calmly suggested.

Has the time arrived when the Commission will consider what we understand has been done by the pioneer development company in the California hydro field, which supplemented it service by steam turbines at different points, because they developed power on a cheaper basis than the hydro energy could be distributed?

EDITORIAL NOTES.

WE predict that in the future Canadians in general will appreciate the opposition of the members from Eastern Canada to the C. N. R. purchase bill. In the Maritimes they have had experience with a government-owned railway.

* * *

THERE is a commendable business-like foresight about the campaign of the War Production Club for increased agricultural output for 1918. Still it is not a day too soon to start.

* * *

LIEUT. W. F. Carroll, M.P., who first showed his war spirit by going to the front as a private, has again shown his desire to serve his country by refusing for his constituency a vote of $2,200 for a new wharf. Lieut. Carroll is one of the few men in politics who recognize that waste is waste—even in the expenditure of public funds.

* * *

LORD SHAUGHNESSY says that the suggestion that the Canadian Pacific buy the Canadian Northern was first made by members of the Dominion cabinet. Sir Thomas White replies that first advances were not made by the government. Both may be right. Members of the cabinet are not at all times officially the "government." There are some fine points of technique about the political game.

* * *

SIR Adam Beck recently gave Londoners some of his eloquent arguments to prove that as the warring nations are moving to the goal of equal citizenship, so is the Hydro Commission working for the equal rights of the people of Ontario. But how about those citizens who were encouraged by government guarantee to put their money into the uncertain pioneer Niagara developments? Do their rights receive no consideration from the Power Knight?

* * *

CANADA is indebted to the *Wall Street Journal* for pointing out some features of our national position as regards production in relation to war obligations. Stating that even if only half the crop is shipped before the close of navigation the Government statement of March next should show a heavy increase over the exports of last year, the conclusion is drawn that with an estimated war debt of $1,200,000,000 it would be well within the financing capacity of the country to produce in one commodity alone the equivalent of one-third of its total liability.

* * *

COMMISSIONER O'Connor, in his report on the fuel situation, speaks of the future possibility of bringing coal from Alaska by airship. The government, no doubt, found great relief in this suggestion—perhaps, in fact, such a startling fore-view has been responsible for the recent weakness in railway stocks.

WE would like to lay a little wager with Mr. O'Connor that before engineers have built an airship to economically bring coal from Alaska, scientists will have discovered a method of producing heat without coal.

THE BIGGEST BUYER IN THE WORLD

How Edward R. Stettinius Bought Ten Million Dollars' Worth of Goods Daily for the Allies.

ALL the purchasing for the Allied Governments in the United States was done through J. P. Morgan & Co., and devolved actually on the shoulders of one man—Edward R. Stettinius. He thus become entitled to be called the biggest buyer in the world, unless an exception were made of David Lloyd George who directed the munitions industry of Britain and indirectly bought everything that the British army needed. Stettinius, however, personally directed the buying done by Morgans which at one time ran to a total of ten million dollars daily. Stettinius made a real success of this stupendous task as B. C. Forbes reveals in an article in the *American Magazine*. Part of the story is told in Mr. Stettinius' own words:

"When Morgan partners learned from Mr. Davison, who was then in London, that the firm would probably be asked to buy material for the British Government, they called me in, explained that they would like me to look after whatever became necessary, but said they did not expect the work would occupy my whole time or cause me to give up my position in the Diamond Match Company," said Mr. Stettinius. "I consented on that understanding. But when the official announcement came on January 15th, 1915, that Morgan & Company had been appointed commercial agents for the British Government, nobody realized what the duties would mean, nor had anyone any information as to what materials were required.

"The Morgan office was overrun, not with hundreds, but thousands of people anxious to sell all kinds of things. There were manufacturers, both responsible and irresponsible, of clothing, machinery, hardware, chemicals, surgical instruments, automobiles and what not, there were merchants, commission agents, horse dealers, inventors, and war brokers by the score. After listening to the stories of the typical war broker, you would have thought that four or five million rifles, one or two billion pounds of rifle cartridges, and millions of pounds of picric acid and powder could be picked up almost anywhere for immediate delivery. Everything was in a state of chaos.

At The British End.

"Obviously, the things to be undertaken at the start were to ascertain the requirements of the British Government, to determine just what munitions or materials could be furnished by America, and, finally, to separate the responsible from the irresponsible offerers of goods here.

"How to determine the needs of the British Government and arrive at a decision as to what work should be done at home and what work attempted here, how, in short, to straighten out the thousand and one matters at the other end, and convey detailed information to us with the brevity demanded by cable dispatches was a task calling for a rare order of ability. Fortunately, one of the Morgan firm in London, Charles F. Whigham, rose to the occasion splendidly, and whatever success has attended the work here has been due in large measure to the services he rendered and has rendered persistently throughout. His grasp of the whole situation, his ability to understand the needs of the different departments in London, his skill in suggesting what could be done here, resulted time after time in enabling us to forge a link in a chain which otherwise would not have been made effective.

"We thus had right off the first essential factor for securing intelligent cooperation between the British War Department and us.

Character a Big Factor.

"A large proportion of the stuff the British wanted here during the first twelve months of the war had never been produced in the United States before, outside of our own arsenals, except to a very limited extent. Our initial problem was how to start up the wholesale manufacture of munitions. Existing plants were totally inadequate; but how and where should we begin to develop others? To what extent could concerns making other things transform their machinery and equipment into plants for the output of munitions? Would steel plants be the most suitable, or automobile works, or car building works—or what?

"We were embarking on an uncharted sea. We had no compass, no precedents, to guide us. It was an absolutely new industrial problem. It not only involved many millions of dollars, but possibly the lives of thousands of men; serious mistakes would occasion delays and dangers of far more moment than the heavy money loss. Some plan, some principle, some policy had to be adopted, and adopted quickly.

"After careful study, we decided that in placing war contracts we would have to be guided less by the nature of any concern's product than by the character of the men at the head. We figured that the layout of any plant, the design of the buildings or the kind of machinery in it was of minor importance to the degree of success that had been exhibited in running it. In other words, bricks and mortar, machines and tools, were not what we went by, but the brains that administered these things.

"Through the knowledge and experience and ramifications of those in the Morgan firm, we had a good idea who and what was what throughout the manufacturing world. We knew the men who had demonstrated unusual ability in different lines, and we got into touch with them, no matter what they were producing. Meanwhile, we were selecting men to negotiate for the purchase of the varied materials we were required to purchase; and in three months had perfected an organization."

"What qualities and qualifications did you particularly seek in the men you gathered around you to look after the buying of materials?" I asked Mr. Stettinius, who, you may have noticed, always spoke of "we" while he might more accurately have said "I."

"First of all," Mr. Stettinius replied, "we made sure of a man's absolute integrity, loyalty, and ability to keep his mouth shut.

"We believed that men who had had practical experience along engineering and manufacturing lines could more effectively negotiate for the purchase of munitions than a man with a purely commercial experience. A man of technical training who has successfully supervised or conducted manufacturing operations in any line, and who has learned how to handle men, is usually able to deal successfully with new problems.

"As we negotiated, say, for shells, we interviewed the concerns who had applied for contracts—we had been flooded by requests for orders. Also, we communicated with companies and firms whom we knew had the right kind of management.

"Usually we invited each concern to bring in its technical man, the man who would have direct charge of the work. An important part of our duty was to size up each of these technical men, to determine whether or not they had the earmarks of success.

Middle Men Eliminated.

"In many cases where contracts had been solicited, we found that the would-be manufacturers knew little about what the work called for. Brokers and middlemen of all sorts and conditions plagued us; but we abolished all this bother by refusing to deal with any but principals, for we concluded that the broker was a handicap to the Government, and that any company that was not strong enough to rely on its own position and its own record to come and get business was not likely to merit confidence.

"To assist us in the selection of contractors, in the investigation of the facilities and organizations of bidders, and subsequently to speed up production after contracts had been closed, we organized what, for want of a better name, was called the Munitions Board. It was made up chiefly of engineers, working under the direction of an artillery officer of the British Government. As the volume of business expanded and as deliveries increased, this board was enlarged and its scope extended under the direction of a direct representative of the British Ministry of Munitions. Similar organizations were formed by the French Government, and all co-ordinated with the inspection and shipping departments of their respective Governments with a view of expediting to the utmost the manufacture, inspection, and shipment of materials to the seaboard."

An official statement made in the British House of Commons revealed that the Allies' purchases in America reached ten million dollars daily. Think of it! Of these purchases, a figure without parallel in history, the banking firm of J. P. Morgan & Co. had to handle a large share. In no previous year had all the foreign countries of the world combined taken any such quantity of American products. And on one man, Edward R. Stettinius, a quiet, unobstrusive, untrumpeted American citizen, fell the burden of marshaling and managing the practical, non-financial end of the task.

Around him Stettinius had drawn a score or more of large-calibre engineering, manufacturing and commercial experts, and a total organization of a hundred and seventy-five men, not one of whom, not even a single clerk, had been selected haphazardly, but because of his enthusiasm, his aptitude, and his indifference to the clock.

"Slaves of Stettinius."

Some of the men in the organization formed what they termed the "S.O.S,." which, translated, means, "Slaves of Stettinius."

"Yes," admitted Mr. Stettinius, "that is what they called themselves, but there never was a more willing and more cheerful body of slaves. Every one of us worked all day and late into the evening. If any fellow quit at nine o'clock at night he was usally congratulated by the others on being able to take a half-holiday. I have seen something of different organizations of workers, but I have never in my life known such sustained, white-heat enthusiasm, such determination to get things done, such disregard of personal convenience and comfort, such self-sacrifice.

Only once did I receive a mild shock, and that was when one of our most promising young men came and asked me if he could have the next Saturday off. This was an unprecedented request. I asked him if it was absolutely necesary. He became confused, but repeated that he would like very much to go if it could be arranged. 'Can't you postpone what you have in mind?' I asked. 'Not very well,' he said, blushing furiously. 'What do you want to do?' I asked. 'I am going to get married!' he blurted out. I hastened to assure him that he must take not a day, but a week or two off. 'No, sir,' he replied, in a tone of finality, 'my fiancee and I are both too strongly pro-Ally in our sympathies to be willing to take our honeymoon until the war is over.'

"That reveals the esprit de corps which permeated the whole force from bottom to top."

PERSONAL

U. E. GILLEN, recently appointed vice-president of the Grand Trunk with charge of operation was born at Brooklyn, Missouri, and entered the service of the C.M. & St. P. as a clerk. He learned telegraphy and served as telegraph operator and relief agent with the Missouri Pacific Railway. Some years later he took service as train master with the Grand Trunk Railway at Belleville, and shortly after was promoted to assistant superintendent at Belleville. He has since been assistant superintendent at London, superintendent at Toronto, superintendent at Montreal and general superintendent at Chicago. Mr. Gillen is a member of the American Railway Engineering Association, the St. Louis Railway Club, the Traffic Club of Chicago, and is well and favorably known in Canada and in the United States.

GEORGE C. JONES, who has been appointed assistant to President Kelley, of the Grand Trunk, and who will represent the company in Toronto, entered the railway service in 1874 as messenger and yard clerk on the Atlantic and Great Western Road at Kent, Ohio, since which he has been consecutively, June, 1876, to January, 1880, yard clerk and operator, New York, Pennsylvania and Ohio Railway, at various points; January, 1880, to March, 1882, operator and dispatcher, Cleveland, Columbus, Cincinnati and Indianapolis Railway; March, 1882, to August, 1883, operator Western Union Telegraph Company; August, 1883, to February, 1885, dispatcher, New York, Pennsylvania & Ohio Road; February, 1885, to May, 1887, dispatcher, Burlington, Cedar Rapids & Northern Railway; June, 1887, to January, 1896, dispatcher and chief dispatcher, Wabash Road; January, 1896, to January, 1905, assistant superintendent and superintendent Grand Trunk Railway; January, 1905, to February, 1913, general manager, Central Vermont Railway; February, 1913, to date, vice-president, same road; May 30th, 1912, to date, also vice-president Southern New England Railway. He is a practical, energetic railway man who has come up from the bottom and should do much to create closer relations between Ontario shippers and the Grand Trunk.

R. S. McLAUGHLIN, who was the other day appointed to the directorate of the Dominion Bank, is one among the group of young Canadians who have met with a large measure of success in both their industrial and financial ventures during the past few years. Mr. McLaughlin began life as an apprentice in the shop of the McLaughlin Carriage Company, Oshawa. That was just thirty years ago. A few years later he was admitted as partner, and when the company was incorporated, in 1900, he was elected secretary-treasurer. When the McLaughlin Motor Car Company was formed in 1908, he became president, which position he still holds. It was largely through his instrumentality that the factory of the Chevrolet Motor Car Company of Canada was located at Oshawa. Of that concern he is the treasurer. Mr. McLaughlin is a man of enormous energy and enterprise, added to which is a keen ambition for the development of the industrial life of the Dominion. And while he has contributed much to the upbuilding of the motor industry of Canada, he has also amassed a considerable fortune for himself, he being estimated to be a millionaire five times over. Much of his wealth has been accumulated through successful investments in the United States, where, through his connections there, he has been able to get a good deal of valuable inside information. While Mr. McLaughlin has accomplished much in his business ventures he takes a good deal of pleasure out of life. Motoring, golfing and hunting are all ardent pastimes with him. At present he has nearing completion in his home town of Oshawa a residence which in appearance and general equipment probably surpasses anything in Ontario east of Toronto. He is quite a club man, being a member of the National, R.C.Y.C., Lambton, and Scarborough Clubs, all of Toronto, and of the Caledonia Mountain Trout Club.

CURRENT OPINION

THE NEED OF ECONOMY.

Bank of Commerce Monthly Letter.

As our participation in the war continues it is quite evident that resort must be had to further borrowings to supplement the revenue from the special war taxes.

The success of the recent loans at home and abroad should not be taken to mean getting money from the banks, which the banks manufacture for it. By this process money is multiplied, prices rise and compulsory saving is forced on the people—especially those least able to bear it—because their money, being depreciated, gives them less goods; and so they have to go without goods and curtail consumption. The idea that war can be paid for by financial legerdemain, involving no privation to anybody, is a delusion."

SIX PER CENT. MONEY.

Manitoba *Free Press.*

A report prevailed a month or two ago that the Manitoba Farm Loans association, under which the effort is being made by the provincial government to provide long term money to farmers, might, at the beginning of September, raise the rate.

When this matter was first discussed a year or two ago, it was assumed that money could be got by the province in the United States at the rate of 5 per cent. or less, and that it could be loaned to food producers at 6 per cent.

This was the general conception of the plan, and as the rates mentioned were below the market price, the announcement was received with pleasure by the prospective borrowers.

All the conditions surrounding this matter have undergone the most extraordinary change since the first discussions of this subject occurred.

The food producers, who were at that time in a certain distress and who were unable in many cases to make ends meet, have become prosperous, while the price of money, as indicated by the loans made by Dominion and provincial government, has materially risen.

The question therefore arises what the Manitoba Farm Loans board ought to do, and there can be no doubt that careful attention has been given to the matter by responsible officers of the government.

It is obvious that the natural thing to do would be to raise the rates all round.

It must be remembered, however, that the allied nations of the world are at this moment engaged in a most determined effort to control quotations and to prevent the markets from running away. Arbitrary prices have been fixed for wheat, for coal, for sugar. It must also be remembered that the Farm Loans association is not a temporary arrangement for times of war, but a permanent arrangement for times of peace.

The advice which is, therefore, being tendered to the government by some patriotic citizens, who personally are interested in high rates for money, is to join hands with the leading citizens of the world in an endeavor to keep prices down and to fight to the last ditch for 6 per cent. money for food producers.

SIGNS OF PEACE AND THEIR SIGNIFICANCE

Some Interesting Deductions and Conclusions From Straws Which Show the Way the War Winds Blow.

Undeniably, exactly as Uncle Sam's huge preparations for war grow and grow, the signs of peace emerging from chaos take more definite form.

The Pope's peace proposals are not in this category. The Pope's overtures need not be regarded as peace proposals at all. They were really a chemical test applied to unknown contents in dilution. They were wholly designed to draw out what terms *would* be acceptable to the Allies.

Nor do I think—as a wonderful cartoon of this week represents it—that Uncle Sam's countless hosts trampling to the firing line are carrying peace to prostrate Europe. Germany is too big a fool to realize what a non-military republic's war strength may become. You can't reason or plead with a bully or a criminal. You have to knock him down and let him do the pleading afterwards.

Yet the signs of peace impending are growing stronger every day. I do not know the undercurrent of facts passing among the various diplomats involved; but I can set down the signs here that are becoming, if not facts, then factors in daily events.

Austria Wants Peace.

More than two months ago it came to the cognizance of the State Department that King Charles of Austria and King Alphonso of Spain were ready and willing to abdicate if that would hasten the end of the war. Unfortunately, on top of those negotiations came the collapse of Russia, and later—Russia's definite defection. Thereupon, these negotiations were stalled and Austria's appeal was made to the Pope. It need not be explained that the war has left the small and rich classes of Austria and Spain infinitely richer, and the big broad industrial and agricultural classes infinitely poorer. A century ago, such conditions would have riveted the yoke tighter on the neck of labor. To-day, anything that tends to emphasize class antagonism spells for the crowned heads of Europe just one word—anarchy, a volcano; the Black Terror against the sunrise. Spain and Austria know that. The war has enriched the munition factories and mine owners of both countries—enriched them enormously. It has impoverished the trade classes, the commerce classes, the shippers, the merchants, the fruit growers, the small artisans, the general laborers. It has impoverished them to the point of dangerous desperation—to the point where they will not and cannot pay taxes to defray the cost of this war. If the bitterness becomes bitterer, taxation of wealth will become, not 80%, but 100%, which is confiscation; and the vested interests of Austria and Spain know this, and are simply saving themselves before the hurricane.

This—as far as I can judge—is the true meaning of the Pope's overtures.

Signs of Peace in U.S.

Now for the signs of peace growing more clear cut as Uncle Sam's war preparations roll up.

I talked to two of the head organizers of the American Red Cross. It will be recalled that just as the Morgan firm gave up buying for the Allies, a member of that firm undertook the rehabilitation of the Red Cross. I did not ask them—"Do you expect peace? How soon do you expect peace?" I asked them—"Do you expect to direct Red Cross work more for medical supplies, or for the reconstruction of Europe?"

They answered — "As things point now, for the reconstruction of Europe."

Immediately on the declaration of war by the United States, hosts of German-Americans, who had been forwarding German propaganda here, at once cut all connections with the Fatherland, and lined up pro-American; but their kith and kin are still in Germany. Their banking and financial relations are still strong with Germany. They have underground methods of getting the true inwardness of affairs in Germany—of how, for instance, the German bankers feel towards peace; of how the big German ship companies feel towards peace; of how the masses feel towards peace. After talking with the Red Cross, I went to such a pro-German-American.

Germany Feels Pressure.

"What is your inside information about affairs in Germany?" I asked.

He answered just one word—"Hell." Then he went on: "Germany's army can fight on for years. The Balkans can feed Germany for years; and Germany can hold her lines unbroken, as she has proved; but that is not the point—the silent awful pressure of the blockade has won the war for the Allies now. If America had gone in sooner and rationed the neutral countries as she is doing now, the pressure would have reacted quicker; but America has simply driven the nail in the coffin that the Allies prepared; and the German people are inside that coffin and they know it. Germany is a country, whose life literally depends on export trade; and her export trade is in ruins for a hundred years as Ballin said it would be. The wharves at Hamburg are rotting, the grass is growing on the main thoroughfares of the big cities in Germany. Her credit is not good for another five million dollars, and after that, taxation becomes confiscation.

"Peace is going to come like a clap of thunder. The break will be a crumbling to pieces from the keystone to foundation in the twinkling of an eye. The whole hitch is just this point—the military party have their feet on the necks and souls of the people. They have indoctrinated and poisoned them with war worship, hatred, self-inflation, and the people do not know the truth. The military party have all the ammunition and all the ordnance. People can't rise and fight twenty-mile guns with bare hands, but within ninety days you will see a sort of I. W. W. spirit sweep the German Army. The soldiers will lay down their guns. Then, when the German people really know they have been defeated, really know they have been deceived—there will occur just what Hoover has predicted. They will rise and tear their rulers limb from limb. The lust and ferocity which their rulers have drilled into them for years, will turn against those rulers; and you will see a French revolution multiplied to the Nth degree. The point here is—I don't believe any sane class will await the cataclysm. I think, like the King of Spain and the King of Austria, the rulers of Germany are going to bluff with swelling words to the end and then 'submerge' for the cyclone cellar. How soon that will come I don't know. I do know Germany can't stand another winter of war."

I have no comment to pass on this pro-German American's views. He is a former friend of Albert and Boy-Ed and Von Papen.

Wall Street Straws.

Along with these concurrent factors —run your eye down Wall Street quotations! Make a list! In one list, put all the companies that cater to equipment and reconstruction! In the other, put the companies that cater to ordnance, war vessels, shells, ammunition! The stock of all the former is up or holding firm. The stock of all the latter is down or sliding. I know one company that has received orders to the value of $26,000,000 for guns, another for $30,000,000 for marine war equipment. The stock of the former has gone down 14 points in two weeks. The stock of the latter has declined 11 points in the same time. All contracts are contingent on continuance of the war; and it is quite in vain for the directors to explain that it is the government policy of taxation and allowing only 10% over overhead on war purchases. These facts hold good of the equipment companies as well as of the munition companies, with this difference—on the stoppage of the war, government regulation of prices stops.

I do not state the inference. It is self-evident; so are the other signs, which I shall state as time passes. Such, for instance, as the government's very evident reluctance to widen national schisms by prosecuting pro-German activities. Or the pro-German frantic efforts to square themselves with the government. Some of them are endeavoring to do this by secretly turning State's evidence. Or most striking of all — in the conduct of **Colonel House, the president's closest adviser. House is one of the sure-peace men—to such a degree that the President's other friends are afraid of his influence dominating to an extent that may weaken war preparations. Meanwhile war preparations are not weakening. They are gaining impetus; and Germany knows.**

INVESTMENT BONDS

We issue periodically booklets and circulars descriptive of sound, high grade investment securities. We shall be pleased to mail these as issued to you, if you will send us your name and address.

ROYAL SECURITIES CORPORATION, Limited

MONTREAL

THE SHAREHOLDER AND HIS RIGHTS

A Powerful Organizations in the United States Which Had Weight in the Freight Rate Inquiry.

There can be no doubt but that the great majority of those who support public ownership, and in their support largely ignore the rights of investors, think only of corporations as being the property of rich capitalists and promoters rather than of individuals of moderate means. In most big corporations there may be a few wealthy shareholders but a great number hold only a few shares and in many cases are dependent upon the income therefrom.

It has evidently been an appreciation of the misconception of the public upon this point which has led to the formation in the United States of the National Association of Owners of Railroad Securities. This body has for its aim a campaign of education for the purpose of offsetting the unfavorable attitude of the public towards the railroads and the unfair legislation which for several years has been reducing the earnings of the roads to a level where they have been unable to maintain themselves on an efficient basis or induce the investment of new capital.

Since the organization meeting held in Baltimore on May 23 last, at which were some five hundred financiers, including the executives of the large insurance companies, banking institutions, trust companies, industrial concerns and individual investors large and small, the Association has enlisted in the cause thousands of investors who are anxious and willing to support the movement which has for its object a campaign of education out of which it is expected there will come a better understanding of the rights of those who have their money invested in the securities of the carriers and the obtaining of better treatment for the roads on the part of public officials and others interested in promoting the general business welfare of the nation.

Several weeks ago President Warfield announced the appointment of the vice-presidents of the Association, five in number and representing as many districts of the country, as well as the membership of the executive and advisory committees. The personnel of these appointments guarantees the assurance that the Association has the support of some of the country's most prominent financiers and business executives who will surround themselves with institutions and individuals owning railroad securities.

Much has already been accomplished by President Warfield and his associates through their appearance before the Interstate Commerce Commission on behalf of the carriers in the recent petition for an increase in rates. This was the first time in the history of the railroads' negotiations with regulatory bodies that the investors of railroad securities were represented. It is recognized that the moral influence which this representation of security owners was thus able to lend to the solution of the problems of the carriers had a far-reaching effect not only in the disposition of the subject under consideration but of future movements of the kind.

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of The Financial Post. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose three cents in postage stamps to cover postage on answers direct.

INDUSTRIAL PREFERREDS.

R. A. P., Sunderland—I want to invest $2,000 in a safe investment and would ask your advice as to: Cement, pref.; Locomotive, pref.; Maple Leaf, pref.; Mackay, pref.; Con. Gas and B. & O. Ry.

We have checked over the stocks you mention and believe that they rank as good conservative investments in their class. Canada Cement preferred, Canadian Locomotive preferred, and Maple Leaf preferred rank with our conservative industrial propositions. They should not be seriously affected by the after war adjustments. MacKay preferred and Consumers Gas common are both regarded as stronger propositions. We have analysed the different securities from a market standpoint and submit the following, showing the price at last sale, rate of dividend and rate of yield on the investment:

Canada Cement	90	7	7.77
Can. Locomotive	89	7	7.86
Maple Leaf	92	7	7.60
Mackay	64½	4	6.2
Con. Gas	150	10	6.6

We do not offer an opinion on the American stock you mention and believe that you would be well advised to keep to Canadian securities the conditions surrounding which you will be in a better position to understand and appreciate and the market for which is more readily accessible.

Speaking generally we would point out that under the present unsettled conditions there is an element of speculation in practically all investments and that this element increases with the higher yield. This should be considered in relation to the foregoing figures. Also it should be a strong argument in favor of investors placing at least a substantial portion of their funds in government bonds which at present can be secured at such favorable prices. The Canadian war issue due in 1937 shows a yield of about 5½ per cent. on the basis of the present price and the Anglo-French short term issue would return considerably better.

CONSOLIDATED RUBBER GOODS.

J. W., Kitchener.—Will you let me know what you think of the Canadian Consolidated Rubber 6 per cent. bonds? I can buy them at 95.

Canadian Consolidated Rubber bonds may be regarded as a very conservative industrial investment. At 95, the price you mention, the yield is 6.3 per cent. However, we might point out that the last recorded sale —August 9—covered a transaction of $3.000 at 94¼. At this price the yield would be slightly higher. The bonds are secured by all the shares of the capital stock of the Consolidated Rubber company and by a mortgage on the property of the Granby Rubber company. The authorized issue, made in 1906, was for $2,600,000 and practically the whole of this is outstanding. The bonds are redeemable after October 1911 at 110 at the option of the company. The outstanding common stock amounts to $2,805,500 and the preferred to $3,000,000. The Canadian Consolidated Rubber Company is controlled by the United States Rubber Company which owns more than two-thirds of both the preferred and the common stock capital. The Canadian combination embraced eight different companies manufacturing rubber products and controls the Canadian Consolidated Felt company, in which a large interest is held. The present price of the bonds compares with 97 at the opening of the year and a high of 102½ and low of 90 in 1916. The range in 1915 was 91 and 88; in 1914, 92 and 88 and 1913 96 and 88.

LAKE WINNIPEG SHIPPING.

W. R. & B., Edinburgh.—A client acquired 100 shares of 8 per cent. preferred stock of the Lake Winnipeg Shipping Company at $5, per share the lot costing £102 17s. 7d. It appears that at the time of purchase there was a new issue and that it was this new issue which was acquired. Would this be the case? Would also like any information about the affairs of this company, the standing of the directors and their responsibilities, the concern's record, present position and future outlook, etc.

This company has gone into a receivership, the receiver being James Auld, barrister, 907 Electric Railway Chambers Winnipeg. If you will communicate with him direct, he will be pleased to send all information. He prefers to deal with shareholders in this way, because the company is not a public one.

SECURITIES AND CAPITAL VALUES AFTER THE WAR.

Continued from page 9

same time the ships of Holland, Norway, Sweden and Denmark were largely held in port. The effect of this stoppage of shipments by way of such neutral countries cannot fail to accentuate the food situation among the Teutonic powers. In addition to this, the practical stoppage of Belgian relief ships must also be considered as having a bearing.

D.—With the entry of the United States into the war on the side of the Entente Powers an additional incentive is given to other important neutral nations to cast their strength and economic resources into the scales against the Teutonic Allies.

E.—While heretofore there was undoubtedly a question in the minds of some of the European neutrals as to which side would be victorious, the action of the United States Government has placed the seal of victory in favor of the armies which are fighting for the preservation of the ideals of international liberty and of democratic institutions. Against this tremendous weight of economic advantage the resistance of the Teutonic Powers must yield sooner or later. Moreover, the advances and effectiveness of British and French assaults on the Western front reveal clearly that it is but a matter of a comparatively short time until the Teuton fighting machine is reduced. Despite the mistakes and revolutionary factors in the Russian situation, there is ground for hope that the Muscovite resistance will be reorganized.

The Task of Demobilisation.

Second, with the signing of peace the first problem which concerns business in general will be demobilization.

A.—All precedents which we are able to refer back to in previous wars seem to us useless as references now—for the reason that this is largely a war of manufacturing countries. It has been of such intensity and duration that the Governments have organized and mobilized to a very efficient degree all people able to carry on the burden of business at home, including women and children.

B.—A very large proportion of the labor at present being utilized is labor that the world did not previously rely upon. To that extent business can proceed during demobilization, and furthermore the places of many of the present workers can be automatically turned over to the returning men.

C.—The largely organized side of armies and transportation systems will both facilitate a speed never before attained in the returning of men to their homes; and the fact that these men have been largely drawn from industrial pursuits, where they were accustomed to substantial and high plane of living, and had families dependent upon them solely for their support, will all combine to carry out a prompt and orderly return.

Trend of Post-bellum Business.

Another problem, and one which we are all deeply concerned with is—

The trend that business will take after this period. Even now heads of all trades are shaping their plans for future business. In fact, reconstruction in France is being taken up as the armies are advancing.

The tremendous total of people who have been drawn from farms and factories to the army will most certainly be offered substantial inducements to return and take up this most important work.

The work in the shipyards will continue at its present intensity. Steel and allied industries will be called upon to take up their share in the rebuilding of bridges, railways, buildings, etc. The copper industries, in fact all those contributing to transportation and its needs, will be called upon to meet heavy demands for some time to come.

During this period we must look for high food costs, with their consequent high prices for labor. There will undoubtedly come out of this war a closer alliance between capital and labor, which will be a factor of great benefit to the world at large.

Taxation will be high, but with the higher labor costs it cannot have dire effects upon the people at large. It will, of course, mean a substantial contribution for the benefit of the population as a whole, from those whose wealth has been accumulated in the past.

Cost of the War.

As to the cost of the war. We must refuse to consider the price as evidenced by gross figures covering the borrowings of the respective Governments. The price of this war as expressed in dollars must be its net cost; a figure totally under what is evidenced by the money that has been raised.

This war, more than any other, is being paid for to some extent from day to day by the economies of the people; by taxation on profits and on incomes; and by the efficiency and organization which prevail in business.

As to foreign trade relations after the war: We hold no fears as to destructive competition. We expect to be working among a unity of nations, and during the period required for Europe to rebuild and re-equip, our manufacturers, and our farmers will have plenty of opportunity to decide to which line their endeavors should be carried.

The great nations will be bound together as never before by the interchange of their obligations, which has been going on for some time: Our statesmen will realize that extensive tariff walls would constitute poor policy against countries who are heavily indebted to us.

Investing by Small Payments

¶ The growth of the periodical payment plan for making safe investments is one of the most notable features of recent years in finance on this continent.

¶ The plan was introduced to Canada by this firm which is now helping investors throughout the country to invest while they save.

¶ Our circular will be sent to anyone interested on request.

GREENSHIELDS & CO.

Members Montreal Stock Exchange
Dealers in Canadian Bond Issues

17 St. John Street, Montreal
Central Chambers, Ottawa

TRADE RELATIONS AFTER THE WAR

The Statist Comments Upon the Situation Concerning the Dominion and the Allies.

Dealing with the question of the commercial relations between Great Britain, the Dominions and the Allies and how these relations will stand after the war, *The Statist* refers to a recent speech by Mr. Walter Long and comments that he gave very little information. In fact, *The Statist* comments, he left matters almost as much in the dark as they were before, although he was full of hopeful expressions. The article continues:

What we want to understand, however, is not either the hopes or the fears of men in authority at the moment, but the actual engagements which have been entered into both with the Dominions and with the Allies. That there is a very strong and a very natural desire for more favored relations on the part of the Dominions is a matter of course. They are part of the Empire. They desire to remain such. And they have given the clearest proof during the War of their earnestness in regard to that desire. Consequently, they have a clear claim to most favored treatment. Similarly the Allies, with whom we have been fighting a stubborn and an extremely costly war against unprovoked aggression, have reasonable grounds for expecting that they also shall receive favorable treatment from this country when peace returns. Everybody, we presume, is agreed so far. If we turn, however, from the case of the Dominions and of the Allies to that of these little islands, we have to express regret that we are not in a position to make all the concessions which we should like to make. We have in these islands, or at least we had before the War began, considerably over 45 millions of people. And our whole territory is smaller than more than one State in the great American Union. Consequently, we can no more raise here at home all we require for our food and for the raw materials of our manufactures than we can multiply the soil itself. The absolute necessity for every people is to live, and our friends both of the Dominions and of the Allied countries will admit that, however strong our desire may be to meet all their wishes in the heartiest spirit, we have to take care that we shall be able to live. As it happens, the Dominions, though they are scattered over the world, yet often are liable to drought at one and the same time. We have had drought in India and drought in Australia at the same time. Similarly, we have had shortage of supplies in Canada and in South Africa. While, then, it is desired earnestly and honestly to meet the wishes of our fellow-countrymen beyond sea, there is a limit beyond which we cannot go. We cannot run the risk of actual starvation. And remember that we have two difficulties to contend against now which were entirely unrecognized before the war. We refer, of course, to the airship and the submarine. What these new inventions can do we have had abundant examples of late. Though we possess the greatest navy in the world, the damage done to our shipping has been so great that practically we have suffered from a blockade. The case of our Allies is not so strong as that of our own flesh and blood beyond the seas. But it is very strong, and no right-minded British subject desires to do anything but what is fair, liberal, and even generous in regard to the States which have fought so gallantly and so resolutely by our side. But everything must give place to the security of the United Kingdom itself. We must not run the risk of being starved either of food or of raw materials. It is, therefore, extremely desirable that the question should be considered in a much more businesslike spirit than it has been hitherto. We should like to see a few extremely skilful, successful, and well-informed business men from the Dominions and from the Home Country meet together. We should like to exclude absolutely every one of the idle rich, all the mere professional politicians, and all the mere talking professional men. We want absolutely well-informed business men who, of course, are broad-minded enough to see both sides of every case, but who know, at the same time, where the shoe pinches. If each question is submitted to men of that kind, and the desire of Parliament is clearly expressed that everything shall be done consistent with the safety of all parties, we do not doubt that a satisfactory conclusion can be reached. But we most earnestly protest against treaties concluded by mere diplomatists who know nothing about business; who are easily persuaded by more skilful persons than themselves, and who think it is very clever to swap concessions. We do not want either swapping or mere exchange of gifts. We want to do the really fair thing to all parties, bearing in mind that the United Kingdom, when everything is said, is the heart of the Empire, and that injury to the United Kingdom is injury to the whole.

BOOKS RECEIVED

POOR'S INDUSTRIAL MANUAL.

Poor's Manual of Industrials for 1917 has just been issued. The general information is revised to August 1. The book is the largest work of its kind.

It contains the latest income accounts and balance sheets of industrial companies, in which there is a public interest. These are in most cases presented in comparative form, showing at a glance the growth of the business.

In view of the fact that during the past year the industrial organizations have had a phenomenal volume of business, Poor's Manual of Industrials is particularly interesting at this time. It is invaluable to the investor or banker interested in industrial securities. (Poor's Manual Co., 80 Lafayette Street, New York. Price $10 a copy).

The U. S. National Council of Cotton Manufacturers announces that no export license will be required for exports of manufactured cotton goods.

A Madrid dispatch says mutinies have broken out aboard some of the Portuguese warship and many arrests have been made.

High Yield Bonds

Returning Well Over Six Per Cent.

Several corporations which have been doing a successful and profitable business for a number of years have outstanding bond issues marketed several years ago at rates to yield 6% or less. Some of these bonds, as well as bonds of newer issues of the same class, can now be purchased to yield about

6½%

We recommend these bonds to investors desiring a high yield with the protection afforded by established businesses with proven net earnings several times the amount of their bond interest.

Write for list.

A. E. AMES & CO.

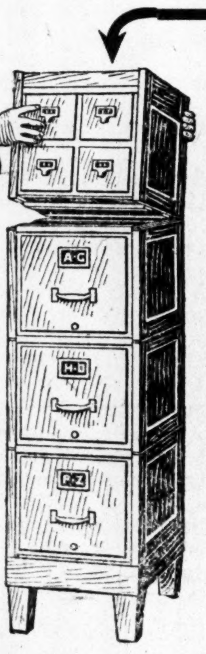
Investment Securities UNION BANK BUILDING, TORONTO *Established 1889*
Transportation Building - Montreal
74 Broadway, New York

THORNTON DAVIDSON & CO.
Members Montreal Stock Exchange
STOCK AND BOND BROKERS BONDS FOR INVESTMENT
Orders Executed On All Markets
Rooms 420-421-422 Transportation Building, Montreal, Quebec.

A. H. MARTENS & COMPANY
(Members Toronto Stock Exchange)
Dealers in
Government, Municipal and Corporation Bonds
Write for list with full particulars.
ROYAL BANK BUILDING, TORONTO, CANADA
61 Broadway New York, N.Y. Dime Bank Bldg. Detroit, Mich. Harris Trust Bldg Chicago, Ill.

Business Founded in 1795
AMERICAN BANK NOTE COMPANY
(Incorporated by Act of the Parliament of Canada)
BANK NOTES, BONDS, STOCK CERTIFICATES, CHEQUES AND OTHER MONETARY DOCUMENTS.
SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES
HEAD OFFICE and WORKS
OTTAWA
Branches:
TORONTO MONTREAL WINNIPEG

Macey



Filing Cabinets

Build them up
as you need them.
Let them grow with your business.
Ask your furniture dealer about these, or write to us direct.
MADE IN CANADA BY
CANADA FURNITURE MANUFACTURERS LIMITED
General Offices: - Woodstock, Ontario
Office Appliance Factory - Seaforth, Ont.

NEWS OF THE BOND MARKETS

DETAILS OF NEW WAR LOAN ARE EMERGING

Month of November Named by Finance Minister as Most Favorable Time.

SUGGESTION AS TO TERMS

Investors to be Offered Variety of Maturities, With Yield Likely to Be Better Than 5½ per cent.

According to the general report of bond dealers this week, institutional buying has just about petered out for the present. The only business that persists is that coming in from individual investors throughout the country. Of this there is apparently a fair volume, buyers being attracted by the favorable prices now offered. As a sidelight on the market it is to be noted that the flow of sterling bonds from the old country has practically ceased. Couple with this the absence of demand from the United States, which has been characteristic of the market since early in the year, and it is apparent that trading is now being carried on within very restricted limits. The list of new issues coming out is reduced to small dimensions and municipalities are being advised to hold back until after the war loan is out of the way. From now until the big loan is floated there is bound to be very little activity in the market.

Out of the confused mass of surmise respecting the next domestic war loan, a few concrete facts are at last beginning to emerge. The Finance Minister has himself authorized the statement that the issue will be made in November and in despatch from Ottawa, printed in all Canadian dailies on Wednesday and undoubtedly sent out with official sanction, the following remarks about the loan were made:—

"The next Canadian war loan will be issued in November. This will give ample time for everybody to get ready for it and to complete the nation-wide organization to make it a success. The demands upon the Treasury at this time are of a two-fold nature; first, to provide Canada's war expenditure, and secondly to establish credits out of which the Imperial Government may purchase not only munitions, but essential foodstuffs such as cheese, bacon, flour, grain, canned goods, for the army in the field and the civil population at home.

"The amount of foodstuffs which Great Britain can purchase in Canada depends upon the amount of money which the Canadian Government can supply to the Imperial Treasury for the purpose, and this again depends upon the savings of the people of Canada and their willingness to place their savings at the disposal of the Government by subscribing to war loan issues.

"It is perfectly clear that from this time forward the continued prosperity of Canada during the war will depend upon the thrift of the people and the success of Government war loan issues. Canada, it is learned, can get all the business she can finance, and no more. The Minister of Finance has no doubt that the necessary credits for all purposes will be established."

Terms of Loan.

Though no official intimation has been given regarding the terms on which the loan is to be issued, it is pretty well understood in bond circles that the principle of offering investors a choice of maturities has been accepted and, that when the loan is announced, it will be found that the public can buy either a five, a ten or a twenty year bond. The decision to offer a variety of maturities is a good one and should conduce to a much larger sale of bonds than might otherwise be the case. After the announcement that bonds of the second and third war loans would be convertible into any subsequent issue running at least twenty years, it became in a measure incumbent on the minister to make the privilege worth something. That accounts for the twenty-year maturity. The shorter maturities will be for the benefit of those institutional investors who will not want to tie their money up for a longer period.

It is expected that the new issue will bear interest at 5½ per cent. This is ½ per cent. higher than the rate prevailing in the case of the first three loans. As a yield of at least 5½% is desirable in order to make the bonds saleable, it is quite as good business to issue 5½% bonds, say at par, as to put out 5% bonds at a considerable discount. That the issue price will be par, with a small accumulation of interest and instalment privileges sufficient to bring the yield well over the 5.50 rate, is generally predicted. If the bonds are dated October 1 and the sale is made November 1, with instalments this result will be secured. As to the amount of the issue, $100,000,000 is spoken of.

The frequency with which the bond dealers are meeting, either in committee or in general session, points to the elaboration of much more extensive selling plans than prevailed heretofore. It is understood that serious efforts are being made to divide up the field so that overlapping will be reduced to a minimum and greater concentration achieved. This is undoubtedly a hard thing to do but, if it could be accomplished, it would assuredly assist materially in the work. Nobody is blind to the fact that the selling of this fourth loan will be a very hard proposition and that the most perfect organization will be needed to carry it through to a successful conclusion.

A Name for the Loan.

A name for the loan, which seems to combine all the necessary essentials, has been suggested by a prominent bond dealer. It is the Win-the-War Loan. As this is precisely what the loan is for and as it voices the hopes and aspirations of the people, it could scarcely be improved upon. The naming of the loan, as suggested last week, will be of considerable help in selling it.

The second United States Liberty Loan campaign will be launched on October 1. During the month of October, the American people will be under the influence of an appeal which will be presented with all the skill and artifice of the brainiest selling agencies in the country. There will be a war loan atmosphere created in the great republic. Canada must also seize the spirit of the thing and, if there is anything in contagion, she should be inspired with a like determination to carry the enterprise through.

PUBLIC OFFERING.

Bonds of the Province of Saskatchewan Placed on the Market.

The public offering of the new province of Saskatchewan issue was made yesterday by W. A. Mackenzie & Co. in Canada and by Breed, Elliott & Harrison and the Provident Savings Bank & Trust Co. in the United States. The issue, as announced in the FINANCIAL POST last week, consists of $1,000,000, five per cent. gold bonds, dated September 1, 1917, and due September 1, 1932. Bonds are in denominations of $500 and $1,000 and the sale price is 90.20 and accrued interest, yielding 6%.

W. A. Mackenzie & Co. have issued an illuminating circular on the issue, in which the extent and resources of the province of Saskatchewan are set forth. Referring to the railway guarantees, it is pointed out that the acquisition by the people of the Dominion of the Canadian Northern Railway System, will relieve the province of liabilities under guarantees now outstanding to the amount of $13,709,000.

YORK TOWNSHIP.

Small School Issue at Favorable Price.

Practically the only municipal sale of the week was that of the Township of York, which on Tuesday an issue of $8,000, 5½%, 20-instalment school debentures. In the past, bidding for York Township bonds has always been active and a list of from twelve to fifteen tenders has been by no means uncommon. This time, however, the dulness of the market was evidenced in a slim list of but six bids. The successful tenderers were G. A. Stimson & Co., who offered 96.03. This meant a purchase on a basis of approximately 6%. The offers received were as follows:—

G. A. Stimson & Co.	$7,682	96.03
C. H. Burgess & Co.	7,628	95.35
Bank of Commerce	7,600	95.01
Canada Bond Corp.	7,590	94.88
Brent, Noxon & Co.	7,579	94.74
A. E. Ames & Co.	7,568	94.60
Imperial Bank	7,566	94.58

ALBERTA SCHOOLS.

Award Made of Fourteen Issues To Manufacturers' Life Ins. Co.

The Department of Education of Alberta awarded three blocks of school district debentures on August 28 to the Manufacturers' Life Insurance Co. of Toronto. Block No. 1, consisting of the following schools, Crosslynds, $1,200; Princess Springs, $2,000; Claysmore, $1,500; Over, $1,200; Marby, $1,200; Clairmont Lake, $1,200; Wild Horse Lake, $1,350, and Block No. 2, consisting of Long Beach, $1,800; Red Cross, $1,800; Ralstin, $1,200; Laconia, $1,500; Scales, $1,200; Sprucedale, $1,500, were awarded at 100.10 and Block 3, consisting of Airdrie S. D., $1,200, at 100.25. All debentures are ten-year sevens.

NEW LIBERTY LOAN DUE ON OCTOBER 1st

Books Will Close on November 1 Unless Programme is Changed.

OFFERING TO BE $3,000,000,000

Information as to Amount, Interest Rate, Denominations of Bonds and Other Details to Come Later.

It was announced from Washington at the week-end that the next Liberty Loan campaign would open on October 1, subscription books closing on November 1. The amount, the interest rate, the denomination of the bonds and other details would be announced after Congress had disposed of the pending bond bill.

Indications are that the next offering will approximate $3,000,000,000. Whether it will be advertised by the Government through paid newspaper space is under consideration, but Secretary McAdoo stated that the cost of such an undertaking would exceed the appropriation now available for the purpose. He added that there would be no action until more light had been received as to the cost of an effective advertising campaign and until Congress had decided what amount will be allowed for the purpose.

Expenses of Flotation.

Under the War Revenue law passed last April, $7,000,000 was made available for expenses of floating $5,000,000,000 in bonds and $2,000,000,000 in short time certificates of indebtedness. It is reported that about half already has been disbursed in connection with the flotation of the $2,000,000,000 Liberty bonds first offered and the certificates of indebtedness put out in advance of the loan.

In announcing the tentative programme for the second campaign, Mr. McAdoo appealed to Liberty Loan committees to perfect their organizations and prepare for the next campaign by getting in touch with the various Federal reserve banks.

The Secretary's statement regarding newspaper advertising said:

"There seems to be an impression that the Treasury Department in the first Liberty Loan campaign applied for free advertising, or paid for advertising in some papers and not in others. That is entirely erroneous. The Treasury Department did not ask newspaper publishers for free advertising, because I realize that the newspaper's only profitable commodity is advertising space, and that there are many papers which are not able to give free advertising, especially in view of the high cost of print paper.

Tribute To Newspapers.

"Newspapers and press associations loyally co-operated with the Government in the first Liberty Loan. News and editorial columns were devoted most generously to the issue. They carried its message into every home and deserve great praise for their service of patriotism. The people of the country want to know the financial needs of the Government and the details of the issues of bonds. This is news.

"This information was given to them in the most comprehensive form possible, and the newspapers and press associations have the satisfaction of knowing that they contributed immeasurably to the success of the loan. Success could not have been accomplished without their aid and co-operation. I have no doubt that the Government will have the same genuine support from them in their news and editorial columns in connection with the second issue.

"The question of paid advertising presents a serious problem for the Government. The value of such advertising cannot be doubted, and if the operation could be governed by the same considerations as those which determine the action of private enterprises it would be much simplified. A private enterprise may advertise in a selected number of mediums most useful for its purposes and may control its expenditures for that purpose without any limitation except its own desires or ability to pay. If the Government engages in such a campaign it must advertise in every newspaper and periodical in America without discrimination; all must have equal treatment and should have equal treatment."

R. C. Matthews & Co.

Government and Municipal Bonds

C.P.R. BUILDING
TORONTO

FREE FROM TAXATION

We are prepared to buy or sell the various domestic War Loans at most favorable rates.

Write for Particulars.

R. A. DALY & CO.
BANK OF NOVA SCOTIA BUILDING
TORONTO

HARVEY, RICHARDSON, COLE & ROBERTSON
Chartered Accountants
CALGARY - EDMONTON - WINNIPEG
Western Representatives of
MACINTOSH, COLE & ROBERTSON, C.A.
Montreal and Toronto
Consultants on Municipal Finance, Auditors, Etc.

Northern Crown Bank
HEAD OFFICE, WINNIPEG
Capital (authorized) - $6,000,000
Capital (paid up) - - $1,431,200
Rest and Undivided Profits $848,554

DIRECTORS.
President, Capt. Wm. Robinson.
Vice-President, Jas. H. Ashdown.
W. R. Bawlf, A. McTavish Campbell,
Sir Douglas Cameron, K.C.M.G.
E. F. Hutchings, John Stovel.
General Manager - Robert Campbel

Money transferred by telegraph or mail, and Drafts issued on all parts of the world in any Currency.

Collections made in all parts of Canada and in Foreign Countries at minimum cost.

V. F. CRONYN,
Manager - - - - Toronto Branch.

DEALERS PLAY GOLF.

Tournament Held This Week By Number of Toronto Bond Men.

A keenly contested handicap golf tournament was held by a number of the Toronto bond dealers on Wednesday of this week at the Scarboro Golf and Country Club. There were fourteen entries and honors went to J. L. Graham of the firm of Mulholland, Bird & Graham. "Charlie" Goldman of C. Goldman & Co., took second place and Wallace Wood of Aemilius Jarvis & Co., came third. The prizes were golf balls.

Contestants included C. E. Abbs, G. A. Macpherson, H. Peacock and Ewart Young of A. E. Ames & Co.; F. A. Mulholland, Ralph M. Bird and J. L. Graham of Mulholland, Bird & Graham; H. Housser and Wallace Wood of Aemilius Jarvis & Co.; Allan Muirhead; Dominion Securities Corporation; L. Elliott, National Trust Co.; C. Goldman, Goldman & Co.; L. Green, Ferguson, Sanson & Graham.

A by-law has been passed by the Edmonton city council levying a tax rate of 26½ mills. Taxes paid before October 31 will receive a discount of 10%; those paid up to November 30 will be discounted 5% and during December, payment will be at par. On January 1, a penalty of 5% is added and on July 1 another penalty of 5%.

PROVINCE OF QUEBEC MUNICIPAL BONDS

Yielding 5½% to 6%

Correspondence Solicited

RENE-T. LECLERC

INVESTMENT BANKER

160 St. James Street Montreal

Telephones: Main 1260 and 1261

SOLICITORS

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P.O. Box 856. Cables—"Nahac, Montreal." Tel. M. 1250, 1251. Codes—Liebers—West Union.

C. H. CAHAN, K. C.

BARRISTER AND SOLICITOR.
Transportation Building, St. James St., MONTREAL.

TORONTO

BLAKE, LASH, ANGLIN & CASSEL

Barristers, Solicitors, Etc.
Canadian Bank of Commerce Building, Toronto
Cable Address: Blakes, Toronto.
General Solicitors for the Canadian Bank of Commerce, National Trust Company Limited, etc.

CHARTERED ACCOUNTANTS

EDMONTON, ALTA.

Baldwin, Dow & Bowman, Jackson Block

TORONTO

Rutherford Williamson & Co., 86 Adelaide Street, East

CONSULTING ENGINEERS

MONTREAL

W. J. Francis & Co. - 260 St. James St.

6% Bonds Suitable for Trust Funds or for Permanent Investment

Beausoleil

Limited

Dealers in Bonds

263 St. James St., Montreal

Correspondence Solicited

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures"

Paid-Up Capital	$2,410,925.31
Reserve - -	685,902.02
Assets - -	7,426,971.18

THE GREAT WEST PERMANENT LOAN COMPANY

WINNIPEG TORONTO
VICTORIA REGINA CALGARY
VANCOUVER EDMONTON
LONDON, ENG. EDINBURGH, SCOT

Canada Permanent Mortgage Corporation

Quarterly Dividend

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of

TEN PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

MONDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September.

By order of the Board,

GEO. H. SMITH,
Secretary.

Toronto, August 29th, 1917.

FIELD OF MUNICIPAL FINANCE

CALGARY AND EDMONTON ARE CONTRASTED

Expenditures of the Two Alberta Cities Put Side by Side.

EDMONTON SPENDS THE MOST

While in Controllable Expenditures Edmonton Does Better, Calgary Wins Out in Her General Expenditures.

An interesting comparison of the expenditure by the cities of Edmonton and Calgary for 1916 has been compiled by Comptroller Mitchell of Edmonton.

This shows that in the general administration of the city, where expenditures could be controlled, Edmonton spent $81,636 less than Calgary, the figures being, Edmonton $583,615, and Calgary $665,251.

Edmonton, however, went $14,182 higher than Calgary in the way of grants, but again her miscellaneous expenditure was $10,526 less.

For bank interest and exchange Edmonton's figures are $236,370 higher than Calgary, and for general debenture interest and redemption Edmonton again leads by $333,638, while for local improvement debenture interest and redemption Calgary's figures are $16,595 higher than Edmonton.

The net difference on expenditure represents $475,433 greater expenditure for Edmonton than Calgary, while Calgary on sundry revenue shows $130,410 more than Edmonton, making an aggregate in favor of Calgary of $605,843, which taken in conjunction with $56,303 ($44,095 balance at Edmonton and $12,000 deficit at Calgary) the respective revenue balances at December 31, makes a total of $662,146, which is exactly the amount by which the net tax assessment of Edmonton exceeded that of Calgary.

Provision for the public and separate schools at Calgary was less than that of Edmonton by $105,925, while the library board in Calgary received only $11,000 as against $34,696 levied in Edmonton.

NO TAX DISCOUNT.

City of Winnipeg Proposes To Collect Its Rates at Par.

No discount is to be allowed Winnipeg taxpayers this year for the prompt payment of their dues, as has been the custom for several years past. Instead of this they will be expected to pay within three months, failing which they will have to pay interest on the sum due.

A by-law to come into force with the taxes for which notices will be sent out on October 1, will provide that all such taxes as shall be paid prior to January 1, 1918, shall be paid at par, while upon all taxes for the year 1917 remaining due and unpaid after Dec. 31, 1917, there shall be added a penalty. This will be added at the beginning of each month instead of the end, the additional sum amounting to three-quarters of one per cent. of such taxes as may be due.

ONLY HALF SOLD.

Of Nova Scotia Authorizations Only About Half So Far Placed.

There is no special change in the bond situation in the Maritime Provinces. Speaking to THE FINANCIAL POST in regard to conditions in Nova Scotia a prominent bond dealers said that he thought about half of the bonds authorized by the Legislature, and which the towns intended to market, had been disposed of. Halifax, Amherst, Truro, Sydney and Trenton did not award their issues, but this week New Glasgow disposed of a ten-year issue, which will be sold to the public on a 5% per cent. basis. Halifax, turning down offers for its bonds, effected an arrangement with the Cook Construction Company under which the latter have proceeded with some large contracts, taking the 5% bonds instead of the cash payment, at 92.35. After allowing for the portion thus taken, Halifax has a balance of $130,000 unsold.

The municipalities of Cape Breton, King's and Lunenburg counties marketed their bonds at a good time, getting them off at a figure of 5½%.

With the prospect of another war loan near, the outlook for municipal bonds in the Maritime Provinces is not very bright and borrowers will likely be compelled to accept the lower level forced upon them by the comparatively high rate for gilt-edge Canadian government war bonds.

URGE REVISION.

B.C. Union of Municipalities Wants Municipal Act Changed.

A complete revision of the British Columbia Municipal Act, amendments to which annually bulk so largely in the deliberations of the members of the Legislature, is being urged upon Attorney-General Farris by F. A. McDiarmid, solicitor of the B. C. Union of Municipalities, and consideration of his recommendation is now being had.

While there is no doubt that the act as it is at present is unsatisfactory, contradictory and, in many respects, fails to meet requirements in this province, says the Victoria Colonist, the proposed revision would mean considerable expense, which the Government may not deem advisable at this time.

The act was made effective in 1914, the need of a new measure more adequately meeting local conditions than did the old act which had stood for years without amendment, being then recognized as imperative. The principles embodied in the present act are satisfactory, but owing to the numerous annual amendments made thereto, there have resulted conflicting sections which bristle with legal uncertainties and have resulted in making the act almost unworkable in some respects.

Ottawa city council has given the Board of Control authority to invest about $300,000 of civic sinking funds in local improvement by-law debentures which have not been marketed. The investment is to be of temporary duration, lasting until such time as the financial market makes it possible for the city to dispose of the debentures on favorable terms.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

Sept. 19, Alberta Schools.—$20,100 in four blocks: (1) $400, 5 years, 7 per cent.; (2) $2,500, 10 years, 7 per cent.; (3) $4,500, 15 years, 6½ per cent. and (4) $12,700, 10 years 7 per cent. M. C. Elliott, Manager Debenture Branch, Department of Education, Alberta.

SASKATCHEWAN.

The following is a list of authorizations granted by the local Government board during the week Aug. 20th to 25th.

School Districts.—Middagh, $1,800; Sully, $1,600; Brook Hill, $1,800; Brook Hill, $5,500.

Rural Telephone Companies.—Downing, $2,300; Kent, $1,400; Walpole, $500; Budapest, $7,000; Swanson, $13,500.

Authorization will issue on receipt of evidence of satisfactory sale: Maple Bush, $10,500; Elfros, $24,500; Wheat Valley, $3,600.

BOND SALES.

$2,400 Can. Cement at 97; $4,205 Cedar Rapids at 85½ to 85; $4,000 Dom. Iron at 88; $1,000 Lyalls at 92; $4.600 Montreal Trams. Debs. at 75 to 74; $1,000 Ogilvie Flour, Ser. B, at 102¾; $1,000 Penmans at 86; $2,000 Spanish River at 81¾; $30,800 War Loan (1925) at 97½ to 97¼; $20,400 War Loan (1931) at 96* to 96⅛; $309,000 War Loan (1937) at 95¼ to 95⅛.

DECREASE IN U.S. OUTPUT OF MUNICIPALS

During August Number of New Issues Showed Considerable Contraction.

HIGHER RATES ARE NEEDED

Municipalities Are Told That They Should Accept the New State of Affairs and Increase the Interest.

August sales of municipal bonds in the United States, according to the compilation of the Bond Buyer of New York, aggregated $24,868,900, as compared with $89,686,842 in July. The comparison, however, is not quite a fair one as the July figure contained the big New York sale of $55,000,000. A comparison of the month's total and the total for the first eight months of the year, for the past ten years, is given by the Bond Buyer:—

Year	August	Eight Mos.
1917	$24,868,900	$365,456,390
1916	23,241,891	360,661,539
1915	22,279,309	366,596,258
1914	9,213,102	358,431,759
1913	19,192,732	267,219,619
1912	16,580,719	316,183,403
1911	23,766,042	344,326,805
1910	20,082,896	215,273,461
1909	21,341,464	251,723,750
1908	8,739,922	210,063,361

The following comment on the present situation in the American market should be of considerable interest:—

"Judging from the decrease in the output of municipal securities, it is apparent that many counties, cities and towns are refraining, because of unfavorable market conditions, from selling bonds. While this may be expected to a certain extent, municipalities should not postpone needed improvements because of the inability to borrow funds on the same terms as prevailed during the several months prior to April 1st, when bonds of our larger cities were selling on about a 3.75% basis.

"As a rule, counties, cities and towns throughout the country have been slow to realize the necessity of increasing the rate of interest on the new issues authorized, with the too frequent result of 'no bids' or 'no satisfactory offers received.'

"The need of immense sums of money to carry on the war, and the enormous drain to which the investment market is subjected because of this need, has changed conditions to-day so that, instead of the bond dealers rushing to out-bid each other, they are showing only casual interest in bonds offering attractive interest rates.

"While there is practically no call for railroad and industrial issues, there was, during the past month, a good demand for municipal securities from private investors and institutions, which is due in part to the fact that these securities have reached the level of prices ruling at the outbreak of the war and by the talk of removing the tax exempt feature from future Government loans. The constant necessity of increasing old or levying new taxes to meet war expenditures has, undoubtedly, also given the demand for "municipals" added impulse, such securities and the income derived therefrom being considered exempt from any tax Congress might impose. Notwithstanding the assurance already given by several leading attorneys and other authorities on the subject, that any Federal tax levied on municipal bonds would be unconstitutional, there is still a belief in some quarters that special legislation may be enacted empowering the Government to tax the income from bonds of this class.

"In the meantime, municipal bonds continue to be the attraction of the investing public. But even these securities will 'mark time' to the tune of future Liberty Loans."

An offer from J. S. Bothman, of Hamilton, to sell coal to the city of London for the municipal coal yard at less than $6 per ton, laid down there, was received at a meeting of No. 1 committee of the city council. It was referred to the high cost of living committee of the council, which will take the matter up at once. City Clerk Baker will be asked to secure samples of the coal and information as to its quality.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

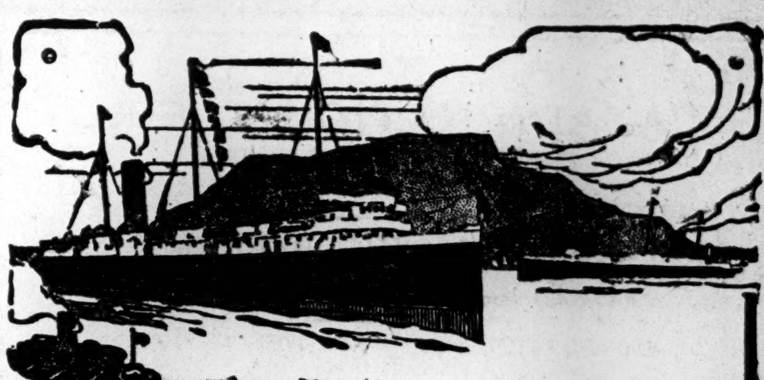
Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
Aug. 25	Valley City, S.D., Sask.	Great West Life Assur. Co., Winnipeg		.....	$7,000	....	.....
" 25	Chippewa Hill, S.D., Sask.	Goldman & Co., Regina		.....	1,200	....	.....
" 25	Baupaume Park, S.D., Sask.	Goldman & Co., Regina		.....	1,800	....	.....
" 25	Winton Hill, S.D., Sask.	Goldman & Co., Regina		.....	1,800	....	.....
" 25	Irwin, S.D., Sask.	Canada Land. & Nat. Invest. Co., Winnipeg		.....	2,000	....	.....
" 25	Border Line, S.D., Sask.	Jas Perras, Jr., Montreal		.....	350	....	.....
" 25	Smiley Western, R.T., Sask.	Regina P.S.D. Sinking Fund	7%	15-ins.	600	....	.....
" 25	North Prairie, R.T., Sask.	H. A. Tubby, Souris	7%	15-ins.	600	....	.....
" 25	Holdfast, R.T., Sask.	C. F. Williams, Balgonie	7%	15-ins.	10,300	....	.....
" 25	North Brock, R.T., Sask.	W. L. McKinnon & Co., Regina	7%	15-ins.	8,700	....	.....
" 25	Dinsmore, R.T., Sask.	W. L. McKinnon & Co., Regina	7%	15-ins.	7,900	....	.....
" 25	Linden Valley, R.T., Sask.	W. L. McKinnon & Co., Regina	7%	15-ins.	9,700	....	.....
" 25	Pizarro, R.T., Sask.	W. L. McKinnon & Co., Regina	7%	15-ins.	1,900	....	.....
" 25	Warren, R.T., Sask.	Nay & James, Regina	7%	15-ins.	5,400	....	.....
" 25	Noremac	Nay & James, Regina		.....	20,200	....	.....
" 25	Township of Radisson, Sask.	G. A. Bennett		.....	2,969.12	....	.....
" 28	Alberta Schools, 18 issues	Manufacturers Life, Toronto	7%	10-yr.	18,650	100.10	.....
" 28	Airdrie, S.D., Alta.	Manufacturers Life, Toronto	7%	10-yr.	1,200	100.25	.....
" 28	Saskatchewan Province	W. A. Mackenzie & Co.					
		Breed, Elliott & Harrison	5%	15-yr.	1,000,000	....	.....
		Provident Savings Bank & Trust Co.					
Sept. 4	York Township	G. A. Stimson & Co.	5½%	20-ins.	8,000	96.03	6.00%

Credit-Canada, Limitée

Government, Municipal and School Bonds

President. Hon. H. B. Rainville
Managers { E. A. Ouimet / F. Saint-Pierre

179 St. James Street, - Montreal, Canada



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Great Lakes, Steamship Service

Service via Owen Sound now in operation.
Service via Port McNicoll commences June 17th.

Particulars from Canadian Pacific Ticket Agents or write

W. B. HOWARD, District Pass. Agent, Canadian Pacific Railway
Toronto.

A NEWSPAPER DEVOTED TO MUNICIPAL BONDS

There is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.

THE BOND BUYER

25 WEST BROADWAY NEW YORK, N.Y.

MacLean's Magazine for September

Northcliffe

THE Big Feature is Lord Northcliffe's article — Federation after the War. This brilliant and mighty publisher and world-figure deals with the question of a federation of Great Britain and the United States, and of Canada's relation to such a federation.

It is a big thing for MacLean's to get this special and exclusive article from Lord Northcliffe, and the inference is: This great journalist and man of affairs deemed MacLean's worthy of his writings.

Lord Northcliffe is only 54 years old. In the years ahead he and his powerful papers, the "London Times" and "London Daily Mail," will play a big part in the shaping of the Imperial State.

MacLean

COLONEL JOHN BAYNE MACLEAN is a notable contributor, writing of the causes of the war, and of the post-war reconstruction as it relates to Canada.

Colonel MacLean discusses the steps that should be taken to win the war, and deals with the financial measures that Canada must consider for the after-the-war period.

Colonel MacLean is pre-eminently well-informed, and his long and intimate connection with International and Domestic financial affairs makes what he writes challenging and illuminating.

Harold McGrath's Great Story of Adventure and Mystery

This world-famous fiction-writer contributes a complete novelette—"The Rubies of Perak."

Other notable contributors are Stephen Leacock, Miss Laut, W. W. Jacobs, Allenson, Moorhouse, and J. D. Ronald, who tells of a smuggling enterprise by an American who temporarily fooled the Customs Department when he imported the plant for a new factory in a Canadian City.

"The Gun Brand," by Hendryx, a great story of the Canadian Northwest, is a feature of the September MACLEAN'S.

Three features liked by business men are the "Review of Reviews" Department where the best things in the current magazines of the world are condensed; the "Business Outlook" article, and the Department for Investors."

Now on Sale Everywhere—Fifteen Cents.

IDEAL WAR-TIME POLICIES

COMBINING SAVINGS, INVESTMENT AND PROTECTION FEATURES.

It's a question whether there is a more completely satisfied class of men anywhere than those Mutual Life policyholders, who are to-day receiving settlements under maturing endowment policies. Year by year they have laid by in premiums sums that would otherwise probably have been dissipated, and now they find that for every $100.00 so invested, from $125.00 to $210.00 have been received, depending on the length of the endowment term. Meanwhile, their homes have been protected for the face value of the policies. Thus endowments in the Mutual of Canada combine an easy savings system with a gilt-edged investment and perfect home protection.

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NEW RECORDS

Results secured during the past year reaffirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policyholders.

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HEAD OFFICE—MONTREAL

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Total Benefits Paid 42 Million Dollars

FRED J. DARCH, S.S., E. G. STEVENSON, S.C.CR., Temple Building, TORONTO.

FIRST SIGNS OF READJUSTMENT

A practical discussion of the changes which will take place in Canadian business and industry with the completion of munitions activities. The shortage of liquid capital in Canada and the difficulty of financing exports of raw materials and foodstuffs have had the effect of bringing about a crisis sooner than might have been expected.

MACKENZIE AND MANN TO RETIRE.

The Post's Ottawa correspondent discusses the probable changes in the administration of the affairs of the Canadian Northern Railway folowing the taking over of the system by the Dominion Government. D. B. Hanna is mentioned for the general managership.

GRAND TRUNK CATERS TO TORONTO.

One of the first acts of the new president of the Grand Trunk System, H. G. Kelley, was to create a new "assistant to the president," who will make his headquarters in Toronto. This is taken as an indication of the desire of the railway to get into closer relationship with shipping interests in Toronto and surrounding territory.

REPLACING THE SHELL ORDERS.

Special articles regarding orders for normal products secured by the Montreal Locomotive Company, the Canadian Car and Foundry Company, and other concerns. These orders, following on the munitions contracts, should prove a material factor in effecting a smooth readjustment.

TALK AGAINST CULVER OF TEMISKAMING.

A candid discussion of the apparent effort to drive Frank L. Culver and his associates from the presidency and management of the Temiskaming Mining Company, with stock market manipulators evidently behind the effort.

THE TROUBLES OF MR. HANNA.

A practical discussion of some of the things which the Food Controller may and may not do in the discharge of the duties of his office. Canada's prosperity based on high prices for agricultural products.

OTHER IMPORTANT FEATURES.

The foregoing are only a few of the special exclusive features appearing in the last issue of THE FINANCIAL POST. There were many others, including Agnes C. Laut's article on the significance of the new shipping regulations, a revelation of the methods of the Hydro-Electric Commission at Gravenhurst, where a contract with the town was broken; a first hand view of the export prospects in the South African market; a "square-deal" summary of the electric railway situation in Winnipeg, etc. These, in addition to our special review of the Bank Statement, analysis of the annual reports of the Lake Superior Corporation and the Montreal Tramways Company, as well as a full and complete review of the securities market and our regular department features which are compiled specially for investors and business men.

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INVESTORS' INSURANCE NOTES

30-DAY LIMIT OF NOTICE IN ACCIDENT CASES

Effort Made by M.P. to Have This Time Reduced to Prevent Fraud.

PRACTICE OF THE COMPANIES

Members Generally Approve of 30-day Term and Insurance Act is Given Third Reading With This Provision.

A strong but unsuccessful effort was made last week by H. B. Morphy, K.C., M.P., to have the term during which notice of accident must be sent to a casualty company reduced from the thirty days provided in the new insurance act, to a shorter period. Mr. Morphy made his plea while the bill was in committee, the special clauses complained of being held over from a previous session for his consideration.

The clause (142b) reads as follows: (h) If the policy provides that written notice of injury must be given to the company within a specified period after the date of the accident causing such injury, such period shall be not less than thirty days.

"At first sight that would appear to be in the interest of the person insured as giving him a longer time to give notice to the company," said Mr. Morphy, "but my contention is that it is absolutely against the interest of the assured,—that is, the honest insured,—and in favor of the man who has fraudulent intentions."

Experience of Companies.

Mr. Morphy contended that the experience of casualty companies must be the only safe guide. He quoted the figures of one of the largest accident and illness companies in Canada which showed that out of 3,726 claims for accident made upon it from January 16 up to July 21, 2,583 claims or 70 per cent. of the total were for less than twenty days duration; while out of 5,074 claims for sickness, 3,476 or 60 per cent. were for disabilities of less than fifteen days duration.

"See the absurdity," said Mr. Morphy, "of inserting an arbitrary clause allowing thirty days in all those cases, where the duration was from twenty to fifteen days. The avenue for fraud is clearly opened up for every one of those cases to nurse the sickness or injury for fifteen days in one case and ten in the other. I do not say that every case would be fraudulent, but I do say that the practice is vicious; it is not in line with modern legislation, and this bill is wrong in every place where it lengthens the term of notice."

Increases the Cost.

Mr. Morphy's contention was that every dishonest claim that goes through increases the cost of insurance to the honest person and that therefore it was in the interest of both the companies and the honest insured to see that the opportunity for practising fraud was reduced. He thought twenty days for accidents and ten days for sickness was ample. These were the periods fixed in the states of New York, Illinois, Wisconsin, Minnesota, South Dakota, Iowa, Texas, Montana, Oregon and Washington.

Sir Thomas White, in replying to Mr. Morphy, pointed out that it must be borne in mind, in connection with the question of notice under a Dominion Insurance Act, that Canada is a very large country geographically and that a distinction must be drawn between the case of a company carrying on business in a state or a province and the case of a company carrying on business in so large a country as the Dominion of Canada. It takes a considerable time to give notice from one part of Canada to another, which may be separated from it by two or three thousand miles.

Company Practice.

Sir Thomas then read a memorandum on the subject which he had received from the Superintendent of Insurance, running as follows:—

One of the clauses contained in the policy is to the effect that the insured shall have 30 days from the date of the accident within which to give notice thereof to the company. This provision conforms with what is the practice at the present time of a considerable number of companies licensed by the department. It may be pointed out that during the last few years there has been a tendency on the part of a number of the companies to increase the time within which notice may be given. Many of the older policies required "immediate notice." Those of the older date required 10 days, 14 days, 20 days, 21 days, and in recent years a number of companies have adopted 30 days. This tendency has been quite marked in practically all companies, and it is believed that the change is in the interests of the insured. The following companies have filed with the department policy forms containing provision for 30 days' notice: Canada Accident Assurance Co., Dominion of Canada Guarantee and Accident Co., Employers' Liability Assurance Corp., Globe Indemnity Co., Maryland Casualty Co., North American Accident Co., Yorkshire Insurance Co.

The following will indicate the provision of the policies of all companies licensed by the department at the present time.

Time within which notice may be given	Num. of Comps.
14 days	3
15 days	2
20 days	5
21 days	2
30 days	7
3 months	1
As soon as reasonably possible	6

Views of Members.

Mr. Carvell thought that thirty days was not an unreasonable limit. He believed there were not many cases of fraud and but few cases in which companies wish to contest claims. They were surrounded by sufficient protection.

Mr. Carroll did not think it mattered very much whether the term was twenty or thirty days, as the public would be protected by the next section which read:—

Failure to give such notice within the time provided in the policy shall not invalidate the claim if it shall be shown that it was not reasonably possible to give such notice within such time, and that notice was given as soon as was reasonably possible.

Mr. Nickle referred to the fact that he had been acting as chairman of the Banking and Commerce Committee, when the subsection in question had been under consideration. The representatives of the accident insurance companies, who were present, were agreed that thirty days was a fair compromise as between the insured and the insurer.

"I think the object of this committee," concluded Mr. Nickle, "should be to hold a balance fairly between the company and the insured and reviewing all the facts as they have been advanced by various members this afternoon, I do not think much injury will be done to the insurance companies by leaving the terms thirty days and fifteen days, and I certainly think there are cases in which it will be honestly to the advantage of the insured."

The section was agreed to; the bill, as amended, was reported, and, having been read a third time, was passed.

ANOTHER FINE EFFORT.

Second Number of the Sun Life Magazine Has Been Published.

The Sun Life Assurance Company has just issued the second number of its handsome quarterly, Sunshine Magazine. Like the first number it is a fine production, both typographically and in the nature and variety of its contents. The insurance idea permeates the issue but it is not obtruded to such an extent as to detract in any way from the general interest of the magazine.

The number is largely concerned with Uncle Sam's participation in the war and the numerous illustrations scattered through its pages are nearly all about some phase or other of this subject. Editorially, the number deals with the cost of the war and the importance of life insurance as an instrument for building up the resources of the country. Readers, so fortunate as to secure a copy of the new issue of Sunshine Magazine, will find in it considerable entertainment, not a little instruction and a good deal of good advice.

AN ABSORPTION.

Northern of London Takes Over the Provident Accident Co.

London advices state that it has been officially announced that a provisional agreement has been signed between the Northern Assurance Company, Ltd., and the Provident Accident & Guarantee Company, Ltd., whereby the Northern company offers to purchase the shares of the Provident Accident Company upon the following conditions:

(1) The payment of £1 1s 9d in cash and the transfer of £24 stock of the 5 per cent. War Loan 1929-47 for each £4 paid up on the shares of the accident company. (2) The accident company to continue a separate company under its present directorate and management, (3) The agreement to take effect provided the offer of the Northern is accepted by shareholders representing 80 per cent. of the paid-up capital (or such less proportion as may be agreed) of the Provident Accident Company on or before September 1, or within such extended time as may be arranged between the two boards of directors.

The Northern was established in 1836, transacts all classes of insurance business, and had, according to its last balance sheet, total assets of £8,000,000. The Provident Accident & Guarantee Company was established in 1865, and its business, though chiefly accident, also includes fire and marine insurances. The subs[illegible] capital is £400,000, of which £85,000 has been paid up, and the funds amounted, on December 31, to £581,000.

U.S. SOLDIER INSURANCE BILL IN HOUSE

Committee on Interstate and Foreign Commerce Reports Favorably on It.

VERY FEW AMENDMENTS

Measure, Though Radical, Should Prove a Blessing to Soldiers and Families and Satisfactory to Country.

The Committee on Interstate and Foreign Commerce of the United States Congress has reported favorably on the Soldiers' Insurance Bill which has been recommended by the Treasury Department, with the approval of the president. A few changes were made notable among which was an amendment defining marriage This reads:—

"That for the purpose of this act marriage shall be conclusively presumed in the absence of proof that there is a legal spouse living, if the man and woman have lived together in the openly acknowledged relation of husband and wife during the two years immediately preceding the date of the declaration of war, or the date of enlistment, or of the entrance into or employment in active service in the military or naval forces of the United States, if subsequent to such declaration, or during the two years immediately preceding the man's death or the beginning of the disability."

The report on the bill filed by the chairman of the committee said:—

"The first part of the bill limits the existing law in all its aspects to marine insurance only. The balance of the bill by way of amendment to existing laws adds four provisions:

"First, all soldiers are required under regulations to be prescribed to allot to their families a definite part of their salaries to be fixed in each case according to circumstances, but not to be less in any case than $15 per month.

"Second, the bill provides that the United States shall pay to dependent families of soldiers amounts equal to allotments made by the soldiers.

"Third, the bill provides a full table and schedule of compensation for injuries after the manner of other compensation laws for similar cases. The bill provides specifically the compensation in each case, whether for death or complete or partial disability or loss of a particular member of the body. All of this is fixed and compulsory.

"But the fourth provision is made at the option of the soldier who takes insurance from the Bureau of Insurance in the Treasury Department in multiples of $500, but not to exceed $10,000 for each soldier. This insurance is to be sold to the soldiers at normal rates of actual cost which he would pay if he were not a soldier. In this way he can not only secure insurance from the Government, but can secure it at a proper rate. Existing insurance companies charge prohibitive rates for war risks. While they recognize $8 a thousand as a normal rate for a man twenty-one years old they add an additional $50 a thousand for a war risk, making the lowest rate for a soldier by private insurance $58 a thousand. In the next place it is term insurance, which ends with the period unless renewed, but may be renewed at the option of the soldier until the end of the war, when it may be converted into some other form of insurance.

Benefit to Soldiers.

"This is provided for because the soldier may be considerably older at the end of the war, his health may be impaired, and if so it would be difficult and expensive for him to secure insurance from a private company. We feel that it is right for the Government to make restitution, as far as posible, by giving him the same benefits as to insurance which he would have enjoyed if he had never served his country in the war. An advantage to the soldiers and their families carried by this bill is that the benefits to be paid are not to be paid in a lump sum to be squandered or lost in unfortunate investment, but will be paid in instalments so as to afford the greatest benefits.

"Another valuable feature of the bill is that if during the first 120 days after enlistment the soldier should fail to take insurance and die, he will be considered as insured and the benefits of such insurance will go to his family.

"Your committee thinks this bill wise and beneficent in all its features and though a radical departure in some respects, think it will prove a great blessing to our soldiers and their families and be very satisfactory to the country.

"The first, second and third features provide for the maintenance of the families of the soldiers during service and for compensation in case of death, and it is believed this is effected much more satisfactorily in this bill than in the existing pension system and will not be so expensive in the long run. The elements of certainty and security afford an incentive to the soldiers to go forward confident of protection by the Government to themselves and their families and go far to mitigate the anguish of the families themselves during the unhappy separation from the soldiers."

Letters found on Austrian prisoners indicate a state of starvation in Austria, particularly at Trieste, where it is said to be impossible to purchase at any price oils, rice, potatoes, sugar or coffee.

A London dispatch says that 21 Norwegian merchant ships with an aggregate tonnage of more than 11,000 were lost in August. Twenty-three seamen were killed and five are missing.

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J. H. Bell, M.D., Grand Medical Ex.

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Life Insurance is the surest of investments—no possibility of loss. Either dependent ones or the Insured himself benefits. The Great-West Life Policies are issued at low rates—on liberal and clearly-worded conditions—returning profits that add the attractions of a good investment to the benefits of protection for dependent ones.

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REAL ESTATE AND MORTGAGES

BIG BUILDING PROGRAM FOR B. COLUMBIA

Value of Construction Under Way Runs Over Twelve Millions.

MUCH GOVERNMENT WORK

Other Building Contemplated and Soon to Be Undertaken Will Call for Further Large Expenditure.

An interesting review of the building situation in British Columbia has recently been compiled, showing that at the present time construction in progress or for which contracts have been let in the coast province runs in value to $12,500,000. The bulk of this sum is going into commercial or industrial building.

There appears to be comparatively little structural building of a residential character now in progress. According to real estate agents, there is no considerable demand for the building of new houses, the province being well equipped with good residences. During the days of depression there was a surplus of houses and whole rows of empty houses could be seen in many parts of the cities and towns. Now, these are filling up and rents are rising but there is no necessity for any fresh building of houses for the present. A few apartment houses are being erected. In general these buildings are filled and rents will be higher this coming winter.

In Vancouver.

In Vancouver, the principal new work is in connection with railway and shipping developments. The Canadian Northern Railway's new depot and terminal at False Creek is costing a million dollars; this is the same amount, approximately, as that expended upon the Great Northern Railway's buildings and trackage, also at False Creek.

Government dredging in False Creek cost about $700,000 and the building of a sea-wall by the Canadian Northern involves an expenditure of another hundred thousand. Another important work on False Creek, only in a different section, is the establishment of the Coughlan Shipyards and later the Western Canada Shipyards.

The Canadian Fishing Company is building a cold-storage plant at the foot of Gore Avenue that is costing $50,000. A new saw mill for the Alberta Lumber Co. on Sixth Avenue is being erected at a cost of $100,000.

Of city work there is the new Coal Harbor causeway, costing $50,000, and the dredging in the same place that involves an outlay of nearly $17,000. A trunk sewer in Stanley Park is costing $300,000, and another at Hastings Park, a similar amount.

The Government is building a turning basin on False Creek at a cost of $100,000.

One of the most important waterfront developments is the extension to one of the Canadian Pacific Railway piers. It is costing $650,000 and in addition there is a considerable amount of dredging around the pier and along the wharves in the immediate vicinity.

The new club building of the Shaughnessy Heights Golf Club cost $20,000. The old one was destroyed by fire some time ago. Some new work was done by the University of British Columbia in altering buildings and erecting three new ones.

There are some stores being remodelled and added to, and a new apartment house is being built in the city.

At Victoria.

Victoria's principal building construction at present is that on the harbor. The new Government piers, for instance, are costing two million dollars, while a million is being expended on the breakwater.

Another important piece of work in the capital is the building of the Hudson Bay Company's new store. It will cost $700,000. Then, the Colomba Methodist Church is building a new home for itself at a cost of $20,000. A new city school at Hollywood is costing $44,000, and there are a number of residences in process of erection, some contracts having been let also for alterations and extensions.

All through the Province there is much important work in progress or contracted for, the largest in value being the building of the million-dollar dam and mills by the Tonopah-Belmont Company at Princess Royal Island.

Government dredging and the building of a jetty on the North Arm of the Fraser River will cost $755,000. Next in order of value is the construction work at Ocean Falls, where the mills, wharves and other plant of the Pacific Mills will cost a total of $750,000.

Another big private contract is that for the building of a concentrator at Surf Inlet for the Surf Inlet Power Company. It will cost half a million dollars.

A second unit of the Fraser River jetty, building by the Dominion Government, has been contracted for at $300,000.

Miscellaneous.

A new hotel at Prince George will cost $25,000. A Nelson stone and a Duncan dairy building are being erected at a cost of $20,000 apiece. Kamloops is building a power house. The Morrison Steel & Wire Co. will have a factory on Lulu Island costing $25,000. A Government building at Fort Alberni will cost $30,000, and a high school in the same town another $20,000.

The Grand Trunk Pacific is building some bridges, as well as a roundhouse at Prince George that will involve the expenditure of some $20,000. Trail is building a new school at a cost of $15,000, and Nelson is spending $19,500 on an addition to its high school.

Kelowna will have a new brick canning plant costing $20,000. Prince George, in addition to the new work already mentioned, is to build a new power plant, and Nelson will have a new telephone exchange.

Port Moody's latest new construction is a shipbuilding plant. There is to be a new sleeping pavilion at the Tranquille Sanatorium.

In addition to the work detailed, there is a quantity of other construction going on in the Province in the building of residences and stores, mostly the latter.

Building Planned.

A good deal of construction work is contemplated, though no contracts have as yet been let. In the city of Vancouver one of the chief pieces of proposed new work is the construction of an additional pier for the Canadian Pacific Railway at a cost of about a million dollars. This, it has been announced, will be started as soon as the extension to pier "D," now in progress, is completed.

Then there is the proposed bridge over the Second Narrows, which will cost $1,750,000. Plans have been prepared, but it is not likely that this work will be undertaken until after the war.

A Dominion Government Armory is to be built in Grandview at a cost of $350,000. There is a pleasure pier planned for English Bay at a cost of a quarter of a million, which will scarcely be started until after the war. The new Canadian Northern Hotel is to cost a million, but construction is likely to be postponed as long as possible.

In addition to all this there are numerous private works planned, including a new building for the Royal Bank and a number of residences and stores.

The Government harbor works at the Kitsilano Indian Reserve will involve a large outlay, running into several millions, but this is being delayed by the throwing out of the original arbitration findings. It is not likely that the actual work of construction will be started for some time to come.

Two new postoffice buildings are proposed by the Dominion Government as well as an extension to the Court House planned by the Provincial Government. All this work would involve about $600,000.

The Royal Crown Soap Works is planning a new factory, but this, as well as the Government work just mentioned, will not be started until after the war.

Victoria's proposed new work will involve more than three million dollars. The principal item is a new union passenger station to cost a million dollars. Plans are now being prepared for this by the Canadian Pacific and Canadian Northern Railways, the roads concerned

Then the city is planning a half million-dollar steel bridge as well as some school buildings, estimated to cost about $50,000. These latter, however, are not likely to be built for some time.

Financing is being arranged for a $25,000 stone church building by Christ Church Cathedral. A $400,000 cathedral is to be built some time in the future, but it is likely to be not until after the war.

The Canadian Pacific Railway intend to build a million-dollar pier at Victoria, but construction will not be started for some time. Other delayed work at the capital includes a ten-story office building for the British Columbia Electric Railway, to cost a quarter of a million dollars.

Three million dollars is the amount estimated to be involved in construction now planned in other parts of British Columbia than Vancouver and Victoria, but not actually started or contracted for.

ONE WAY OUT.

Montreal Might Make Effort to Clear Up Its Tax Arrears.

It is beginning to dawn on the civic officials of Montreal that one way out of their financial difficulties is to gather in some of the amounts owing the city in realty taxes, water rates, and business levies of $1,269,773; of arrears on water rates extending back to 1905 of $522,067 and of business tax arrears of $158,186.

Further statistics bring out the fact that, during the past fifteen years, over one million dollars have been written off the corporation books on the score of for the water rates, as bad debts. The cause given for this great loss is the city's peculiar manner of selling water to citizens—on the basis of assessed rentals. By this plan, a citizen is never sure what his water bill will be. Should the landlord increase the rents the water bill also goes up. The higher the rent the higher the cost of water!

A former city treasurer repeatedly urged that the water rates be collected by the landlords with the rent. By this method, he said that the city would not lose such large annual amounts in bad water debts.

On various occasions, attempts have been made in the city council entirely to remodel the plan of charging for water, but they always failed.

The corporation has collectors whose sole duty it is to threaten delinquents with the "law," if they do not pay up. The pay of these collectors runs up into many thousands a year, and over and above their annual salaries, they are also paid commissions on their collections.

EDINBURGH-CANADIAN.

Total Amount of Borrowed Money Shows a Small Decrease.

The report of the Edinburgh Canadian Mortgage Company, Limited, states that, after allowing for interest on borrowed money, management, debenture expenses, income tax and the preference dividend of 5 per cent., the balance at credit of profit and loss account is £13,288. To the reserve fund there has been carried £4,000 (increasing it to £10,000), leaving £9,288. The directors recommend the payment of a dividend on the ordinary shares at the rate of 5 per cent. per annum, under deduction of income tax, one-half being payable 17th inst. and the balance on January 30th, 1918, leaving a balance of £4,288 to be carried forward, subject to directors' and auditors' fees. The sum invested on mortgages at the close of the accounts amounted to £316,858, spread over 984 loans, chiefly on farm lands in Saskatchewan, and the investments amounted to £2,518. The company throughout the year has been receiving money on Terminable Debentures at 4½, 5 and 5½ per cent. for three, four or five years, and also on temporary deposits; but, owing to the restrictions on the movement of capital imposed by war conditions, the total amount of borrowed money has decreased by £2,325. The debentures, being restricted to the amount of the company's paid-up capital for the time being, are an excellent security.

U.S. CANNING INDUSTRY.

It Is Now the Largest in the World—Export Prospects.

The American canning industry is the largest in the world and the development of an increased export trade depends to a great degree upon the education of the people in foreign countries to the variety and wholesomeness of American canned goods. As a step toward acquainting foreign peoples with the American canned foods available for export, the processes of canning, system of grading, and methods of packing, the Bureau of Foreign and Domestic Commerce has issued a bulletin providing this information.

Undoubtedly, as a result of the war, American products have become much more widely known abroad, and on the conclusion of hostilities the normal field will be found to have greatly broadened.

The bulletin, which has a large number of illustrations designed to show the exact sizes of the different grades of canned products and the processes of canning, has separate sections devoted to the preparation of raw material, brining, blanching, syruping, exhausting, closing, processing, and cooling. There are also chapters on food inspection and complete tables are included giving the number of cans to the case, the net and gross weight of the cans, and the size of the case in which they are packed. These weights and measures are given in both the usual and metric units.

BUILDERS APPROVE.

Proposal of Regina to Tax Building Contractors From Outside.

The suggestion that Regina should levy a tax against contractors from outside points who are only in the city while filling their contracts meets with the hearty approval of local builders. One prominent contractor, who has been constructing large buildings in Regina for many years, said that there was every reason why such a tax should be imposed by the city council. "Many of the local contractors," he said, "purchased property here for their plants a few years ago when land was cheap. Since that time, pavement and other improvements have been constructed and they are now paying considerable sums in taxes to the city and it is unfair that outside competitors should be allowed to come in without at least contributing a share to the cost of civic maintenance."

HOUSES IN DEMAND.

Increased Inquiry in Victoria Points to Improvement.

One of the indications which point to an improved condition in Victoria, B.C., is the decided increase in the demand for houses to rent. House renting agents report that this demand, which has been steadily improving, is due to the better prospects consequent upon the activity in business circles following an establishment here of such industries as shipbuilding, while there is improvement too in other lines of business activity. They take the signs of improvement as indication that Victoria has turned the corner, so to speak, in a business way, one of the first indications of such a condition being generally the greater demand for houses to rent and a stiffening in rental values.

REGINA DOES WELL.

Building Permits Issued in August Made a Nice Gain.

The total value of building permits issued from the city hall in Regina during August amounted to $164,670, approximately equalling the total for the other seven months of the year. The total value of the permits to date for this year is $330,670.

The largest building for which a permit was issued last month is the new Union Bank building, which is being erected at a cost of $86,000. Several other substantial permits were issued, including the Regina Storage and Forwarding company's new warehouse valued at $30,000; the Children's Shelter, $23,000, and the two-storey addition to Barrie's store on Hamilton Street, $9,500. The total includes several new residences. One of these is being built by Geo. Lownsborough on Elphinstone Street at $4,000, and another by Alderman Macdonald on Osler Street at a cost of approximately $3,000.

The total value of building permits issued during the first eight months of last year was $192.800, giving this year a lead of $137,870 over the corresponding period of 1916.

The building permits in Winnipeg for the year up-to-date, amount to $1,983,000, as against $1,963,450 last year. The total for the month of August of this year is $116,100, as against $163,450 for the same month last year. Among the larger permits for the month are convalescent hospital on Jessie Avenue, $7,000; a dwelling house on Furby Street, $9,000; extension work in the General hospital, $15,000; warehouse for the Ogilvie flour mills, $51,000; two dwellings on Elm Street, $16,500; boiler house for Winnipeg General hospital, $75,000; finishing apartment block, Toronto Street, $15,000.

CHATHAM ACTIVE.

Building Permits for August Were Largest So Far This Year.

Building activities in Chatham have increased materially during the past month, as indicated by the amount of permits issued during the month. The total was $75,300, while during the corresponding month of last year the total was only $26,219, an increase in August of this year of $49,081. A permit for $60,000 for the erection of the addition to the Queen Mary school was issued last month.

For the first eight months of this year permits to the amount of $291,472 were issued for buildings in Chatham. During the same period last year the total issue was $342,849, or an increase this year of $47,623.

The permits issued during the month of August exceed those of any other month so far this year by several thousands of dollars.

BIG WINNIPEG TRANSFER.

Clarendon Hotel Property Changes Hands at a Large Price.

One of the largest real estate transactions in Winnipeg since the commencement of the war was completed last week when the Clarendon Hotel property, corner of Donald and Portage Avenues was sold by C. Y. Gregory to F. Leistikow. The price paid was $4,000 per foot for 88 feet, making a total of $352,000. It is pointed out, by way of comment on this sale, that the purchase price is sufficient indication that down town real estate values in Winnipeg have slumped very little if at all since the war began.

HALIFAX WHARVES BOUGHT.

Brookfield Bros. Acquire the Liverpool and Butler Properties.

An important real estate deal was put through in Halifax last week. The firm of Brookfield Bros., Limited, purchased the Liverpool wharf and the Butler wharf which adjoins the firm's own property to the north. Owing to the firm's increasing business, it was found necessary to acquire additional wharf and warehouse accommodation. The properties acquired are amongst the most valuable on the waterfront.

REGULATION OF PRICES DOOMED TO SURE FAILURE.

Continued from page 6

mote, and ultimate, is to weaken the sellers.

There are three kinds of price regulation—minimum price, maximum price, and fixed price. It is commonly supposed that a minimum price immediately helps the seller, and that a maximum price helps the buyer. Whether this is true or not, if a minimum price raises the price beyond what the seller would otherwise get, its effect can only be to increase production, which later lowers price. There is here an economic law against which even Governments are powerless. This is the law that when production increases faster than customary consumption, price per unit falls so rapidly that the total sum realized is less than the customary total.

Assume that the total ordinary production of A is 1,000,000 M at the ordinary price of $X per unit M. A realizes a total sale of $1,000,000. Assume that the actual production of A in a given year is 1,500,000 M, and that $1,000,000 is the amount the nation might be willing to pay for it. The price per unit would be $0.666. But such would be the eagerness of the sellers and the indifference of the buyers in so overstocked a market that the unit price would fall so far below $0.666 that the total product would realize less than $1,000,000. This is the reason why in the eighties men burned corn for fuel in Nebraska and Kansas.

There is no man in America, there is no committee of men, there is no university department of professors of economics, there is no House of Representatives Committee on Ways and Means, there is no conceivable United States Supreme Court or Cabinet that would undertake to arrange for a half year or for one month any schedule of prices for so many as even one dozen articles of general merchandise or kinds of paid labor and enforce it. And yet such is the condition of the public emotion that we have national laws and State laws, national administrators and boards and State dictators and councils now undertaking to do just this.

The True Remedies.

Inevitably it will fail, and its failure will increase the public emotion. Price regulation is an expression of the war anxiety, an attempt to relieve the social sympathies in a time of soul-harrowing distress. It distracts attention from the main interest, which is to bring together all possible agencies and means to win the war. Price regulation delays success. Inevitably it angers either consumer or producer, being an effort to interfere with the natural economic weather.

The true remedies are very different. They are slower and less spectacular. One, of course, is to persuade such buyers as can do so to get out of the market by avoiding excessively high-priced non-essentials and by reducing the demand so far as possible of even the essentials. Another remedy is bringing the common criminal law to bear upon the practitioners of fraud; we have by no means exhausted this remedy. A third remedy is publicity for the entire process of getting merchandise of definite kinds from the producers of the raw materials to the consumers; the general public has but vague notions upon these points. Publicity as to excessive profits lowers prices by weakening the desires of buyers. A fourth remedy is the social boycott of men known to be hoarders, delayers, speculators in necessaries; mostly they deserve this, being untruthful and dishonest and unjust. There are signs of a social spirit rising to enforce this boycott. The fifth and last remedy is being applied gingerly; it is a mere expedient for the emergency. This is the municipal and national purchase in the markets of the real necessaris for distribution later at fair retail prices for cash. Our States would do well to look into this, as might also our counties.

Price regulation proceeds from the hypothesis that it may be the duty of Government to support the people, to protect the people from themselves. But the full measure of truth in this plausible error is that the people have the right to use every open, just, and customary means, Government included, to maintain their civilization, their lives, and their ideals. We do well, however, in the largest measure possible to solve our problems in the open freedom of competitive, law-abiding individualism.

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NET PROFITS OF LAURENTIDE NEAR $800,000

While Net Earnings Reach $2,220,660, an Increase of $1,000,000.

BANK LOANS WIPED OUT

All Previous Records Broken—Pulp Products One of Big Factors—Prospects Bright for Next Year.

As was anticipated, the results of the Laurentide Company's operations during the past fiscal year have shown a remarkable gain over those of the previous year. The earlier reports of the Riordon and Brompton Companies had given some idea of what the pulp and paper companies were achieving in the way of enlarged profits but it remained for the Laurentide Company to show an even more spectacular development.

For the year ending June 30 the net earnings aggregated $2,220,660, compared with $1,244,283, a gain of $976,377 or close to 78 per cent. over last year which had been the best record to that time in the company's history. The earnings on common stock work out at 17.9% compared with 9.98% one year ago, and explained why the directors increased the dividend from 8 to 10% some six months ago. The increase means more: it indicates also that the directors feel confident that the huge earnings of the past year will be maintained at least in large measure; otherwise an after-the-war caution would have been brought into effect as has been done in the case of some companies, to create a large reserve, against a day of smaller things.

Confidence in Future.

But to the directors such a day evidently is reasonably far distant. The only two elements that might intervene adversely are an unfavorable outcome of the newsprint investigation or hostile action by the Federal Trade Commission of the United States in the direction of forcing down the price of newsprint or pulp. The other export trade of the Laurentide Company, to England, Australia New Zealand and South Africa has been restricted greatly the past two years and more, and there is no reason to anticipate conditions will be restricted further.

Borrowings Nearly Wiped Out.

One practical result of the year's very bright showing has been to reduce the company's borrowings from the banks, which stood at $2,195,089 one year ago, to $44,201, which is far more than offset by the item of cash on hand, $107,632 the surplus now stands at $1,783 458, where one year ago the amount was $927,446.

One of the chief sources of the profits was from the sale of pulp products and every trade report would seem to guarantee quite as large profits—with a greater demand—from these next year than during the past, for the supply still falls far below the demand.

Profit and Loss Account.

Some of the chief items in the financial statements for the past three years compare as follows:

	1916-17.	1915-16.	1914-15.
Mill nets.....	$1,841,981	$1,022.605	$943,272
To. net rev...	2,220,660	1,244,283	1,034,606
Profits tax ...	268,181	20,000	....
Profits	1,720.011	937,822	807,191
Surplus	856,011	265,822	231,191

In the assets "plant, etc.," is set down at $5,995,718 where last year it was $5,372,509. Timber lands—although worth far more now—are valued conservatively in the increase at $2,284,638 as against $2,179 743. Investments are $1,585,078 where they were $3,361,200 last year, explained through the company disposing of a large portion of its Power Co.'s bonds, although it retains the most of the common stock. The stock on hand, logs, etc., is set down as $2,416,764, against $1,759,430 last year, and as present conditions warrant huge supplies on hand of "raw" materials, a generous profit is assured on the increased stock.

That the collections are in better shape is shown by a reduction in accounts receivable from $1,349,733 to $686.960. The total assets are $13,819,307 compared with $14,913,761.

The liabilities show a decrease in accounts payable from $428,841 to $100,843, and loans, as indicated above. The total liabilities are $13,819,307 compared with $14,913,761.

Ready To Redeem Bonds.

The president George Chahoon, jr. makes the following favorable announcements:

"The Company's Bond issue is due and payable on January 2nd, 1920. The company is prepared to redeem these bonds in advance of their maturity at par and accrued interest, upon presentation of the bonds to the Royal Trust Company, Montreal. . . . . The directors have under consideration the creation of a Pension Fund, and propose to set aside the sum of One Hundred Thousand Dollars towards that Fund."

ARMOUR IN BRAZIL.

American Packers to Build Large Plant Near Sao Paulo.

Armour & Company, which are already comfortably established in the Argentine, are about to begin the erection of a large plant near Sao Paulo in Brazil. This company like Wilson & Co., is becoming increasingly established in the South American field. The capital stock of Armour in 1916, was $20,000,000 but it was increased subsequently to $100,000,000 and a stock dividend declared to cover the increase.

YEAR'S EXTENSION ON TRURO STEEL BONDS

Munitions Concern Has Had a Rocky Career But Still Has Large Orders in Sight.

Special Correspondence.

HALIFAX.—The Truro Steel Company is one of the numerous companies in Nova Scotia which has been and despite the recent order regarding the manufacture of shells, is still actively engaged in the munitions enterprise. The order discontinuing the production does not affect its output, which is of a different size from that on which work is ceasing. The company's plant is located at Truro and is well equipped, and said to be actually worth 90 per cent. of the bond issue. But the company is in straightened financial circumstances. Its bonds were for a short term, and called for redemption last month, but the company found itself unable to arrange for this, and an extension of a year has been asked for and granted.

The career of the Truro Steel Company in its short history has been one of many vicissitudes. This story has been outlined to the bondholders by W. A. Henry, the president and managing director. He states that when the company was organized two years ago, nobody in connection with it had any practical knowledge of the machining of shells and further that a sufficient amount of capital was not obtainable. Then there was ruinous delay in the delivery of plant ordered, and with this was the engagement of a shop superintendent who, Mr. Henry says, though he was carefully selected, entirely failed to make good his promises. Under his management the production was unsatisfactory and spasmodic, causing a loss on this score alone of $75,000. By this time the company was entirely out of funds. A new superintendent was engaged and the plant reorganized and in a short time was producing at its maximum. Then another trouble came—the supply of forgings gave out. In September of last year the company got fully under way and since then production has been well maintained. However, by that time the company's indebtedness was $110,000 outside of the obligation to bondholders and shareholders.

Mr. Henry afterwards became managing director as well as president, his idea being solely to help put the company on a solid financial basis When he became managing director the liabilities of the company, outside of stock and bonds, stood at $39,100. On July 31st, they had been reduced to about $26,000, but they had in addition cash in the bank to the extent of $17,000, so that its net liabilities were $9,000. Liabilities had been decreasing at the rate of $7,500 a month.

Another Winter of War.

Speaking of the future, Mr. Henry say that "so long as the war lasts and we are able to maintain production we are assured of all the necessary orders to keep the plant going at full blast. We are always kept supplied with orders for three months ahead. It looks to be reasonably certain that we will see at least another winter of war. If so there will be shells to be machined at our plant for many months to come. We clear upon our operations from $7,000 to $9,000 a month."

The company is practically speaking free from debt," Mr. Henry continues. "It is my intention to accumulate the earnings until they reach a figure when some of them can be spared to pay a dividend to the bondholders, and this would be repeated whenever the conditions justified it. In this way I would hope to retire all the bonds in one year from the first of August. In this forecast I have assumed that the company, notwithstanding the non-payment of the bonds, will be left in control of the property, and this I firmly believe is the best policy which could be adopted."

DEERE DECISION SUSTAINED BY JUSTICE MASTIN

Provincial Legislation is Held to be Ultra Vires.

SITUATION STILL UNSETTLED

An Appeal to Higher Courts Proposed —Decision Contrary to the Findings of the Courts of Saskatchewan and Manitoba.

The recent decision of Mr. Justice Masten in the Harris Lithographing case, another to be added to the many actions which have been brought in the Canadian courts to decide the standing of Dominion charters in relation to provincial legislation, serves as an endorsation of the judgment rendered in the John Deere case. In other words it is held that the Extra Provincial Corporations Act of the Province of Ontario is ultra vires in relation to trading companies incorporated by the dominion—with emphasis which may be more or less significant on the "trading." However the air is still far from clear as this last decision is contrary to decisions of the courts of Saskatchewan and Manitoba.

In view of the decision of Mr. Justice Masten and that delivered in the John Deere Case, it would appear that the Ontario authorities may have to change their attitude, which, despite the latter decision, has been that the provincial legislation is valid However, the action in the Harris case was arranged so as to facilitate an appeal to higher court.

Different opinions as regards the powers of the legislatures appear to prevail in different provinces. Ontario, as previously stated, has seemed inclined to hold out against the Deere decision. Saskatchewan has taken the matter to the Provincial Supreme court which has sustained the decision of a lower court that the provincial act is valid. This legislation requires all companies—including Dominion companies—to be registered before carrying on business in the province and to take out an annual license. Alberta in 1915 amended legislation considered to be invalid under the Deere decision so as to except Dominion companies from its operation. Prince Edward Island in the same year repealed legislation considered to be invalid for the same reason. No change has recently been made in the British Columbia Act New Brunswick has amended its extra provincial licensing act, following the Deere decision, and Nova Scotia has also amended its company registration act by removing the clause incapacitating unlicensed companies from maintaining actions in the courts.

The Harris Case.

There were two actions in the Harris case—Currie v. Harris Lithographing Company and Attorney General of Ontario v. Harris Lithographing Company. The first of these cases was brought at the instance of the Canadian Manufacturers' Association in order to test the validity of the provincial legislation in relation to trading companies organised by the Dominion. The Attorney General of intervened in the first case and brought a second action on behalf of the province in order to insure the right to appeal. Besides ruling that the provincial act is ultra vires it is also held that a Dominion company cannot hold land in the province without a license from provincial authorities.

No reasons are given for this latter decision but it is stated that the incapacity arises, not because of the Extra Provincial Corporations Act, but because of the Mortmain and Charitable Uses Act. This latter Act is a consolidation of some old English statutes aimed originally at the practice of religious corporations of holding lands in Mortmain (dead hand), whereby the feudal lord was deprived of the ordinary dues which were payable on the succession of the property to the heir. By an old Canadian decision these Acts were declared to be in force in Canada but they have never been taken seriously by Canadian lawyers and have not been practically operative.

It should be observed that the decision does not necessarily apply to all companies incorporated by the Dominion. The objects of the company in question in this case clearly identified it as a "trading" company. It may be that every manufacturing company can be similarly identified but this should not be too implicitly assumed.

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